

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 5
to
Form S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Cinemark Holdings, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
*(State or Other Jurisdiction of
Incorporation or Organization)*

7832
*(Primary Standard Industrial
Classification Code Number)*

20-5490327
*(I.R.S. Employer
Identification Number)*

**3900 Dallas Parkway, Suite 500
Plano, Texas 75093
(972) 665-1000**
*(Address, Including Zip Code, and Telephone Number,
Including Area Code, of Registrant's Principal Executive Offices)*

Michael Cavalier
Senior Vice President-General Counsel
3900 Dallas Parkway, Suite 500
Plano, Texas 75093
(972) 665-1000
*(Name, Address, Including Zip Code, and Telephone Number,
Including Area Code, of Agent for Service)*

With a copy to:

Terry M. Schpok, P.C.
Akin Gump Strauss Hauer & Feld LLP
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201
Telephone: (214) 969-2800

D. Rhett Brandon, Esq.
Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017
Telephone: (212) 455-3615

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. _____

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. _____

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. _____

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

EXPLANATORY NOTE

Cinemark Holdings, Inc. has prepared this Amendment No. 5 to this Registration Statement on Form S-1 (File No. 333-140390) for the sole purpose of filing Exhibit Numbers 10.10(a), 10.10(b), 10.10(c), 10.10(e), 10.11(a), 10.11(b), 10.11(e), 10.12(a), 10.12(b), 10.12(c), 10.12(e), 10.13(a), 10.13(b), 10.13(e), 10.14(a), 10.14(b), 10.14(e), 10.15(a), 10.15(b), 10.15(e), 10.16(a), 10.16(b), 10.16(c), 10.16(e), 10.17(a), 10.17(b), 10.17(e), 10.18(a), 10.18(c), 10.18(d), 10.18(f), 10.19(a), 10.19(b), 10.19(c), 10.19(d), 10.19(e), 10.20(a), 10.20(b), 10.20(d), 10.20(e), 10.21(a), 10.21(b), 10.21(c), 10.21(e), 10.22(a), 10.22(b), 10.22(d), 10.22(e), 10.23(a), 10.23(b), 10.23(e), 10.24(a), 10.24(b), 10.24(c), 10.24(e), 10.25(a), 10.25(d), 10.26(a), 10.26(d), 10.27(a), 10.28(a), 10.28(d), 10.29(a), 10.29(d), 10.30(a), 10.30(b), 10.30(c), 10.31(a), 10.31(b), 10.31(c), 10.31(e), 10.32(a), 10.32(b), 10.32(d), 10.33(a), 10.33(c), 10.33(f), 10.34(a), 10.34(b), 10.34(c), 10.34(e), 10.35(a), 10.35(d), 10.36(a), 10.36(b), and 10.36(f) with the Securities and Exchange Commission. Amendment No. 5 does not modify any provision of the Prospectus that forms a part of the Registration Statement and accordingly such Prospectus has not been included herein.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 16. Exhibits and Financial Statement Schedules.

(a) The following exhibits are filed herewith:

<u>Number</u>	<u>Exhibit Title</u>
**1	Form of Underwriting Agreement.
2.1	Stock Contribution and Exchange Agreement, dated as of August 7, 2006, by and between Cinemark Holdings, Inc., Cinemark, Inc., Syufy Enterprises, LP and Century Theatres Holdings, LLC (incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. with the SEC on August 11, 2006).
2.2	Contribution and Exchange Agreement, dated as of August 7, 2006, by and among Cinemark Holdings, Inc. and Lee Roy Mitchell, The Mitchell Special Trust, Alan W. Stock, Timothy Warner, Robert Cople, Michael Cavalier, Northwestern University, John Madigan, Quadrangle Select Partners LP, Quadrangle Capital Partners A LP, Madison Dearborn Capital Partners IV, L.P., K&E Investment Partners, LLC — 2004-B-DIF, Piola Investments Ltd., Quadrangle (Cinemark) Capital Partners LP and Quadrangle Capital Partners LP (incorporated by reference to Exhibit 10.3 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. with the SEC on August 11, 2006).
**3.1	Second Amended and Restated Certificate of Incorporation of Cinemark Holdings, Inc. filed with the Delaware Secretary of State on April 9, 2007.
**3.2(a)	Amended and Restated Bylaws of Cinemark Holdings, Inc. dated April 9, 2007.
**3.2(b)	First Amendment to the Amended and Restated Bylaws of Cinemark Holdings, Inc. dated April 16, 2007.
**4.1	Specimen stock certificate of Cinemark Holdings, Inc.
4.2(a)	Indenture, dated as of March 31, 2004, between Cinemark, Inc. and The Bank of New York Trust Company, N.A. governing the 9 ³ / ₄ % senior discount notes issued thereunder (incorporated by reference to Exhibit 4.2(a) to Cinemark, Inc.'s Registration Statement on Form S-4, File No. 333-116292, filed June 8, 2004).
4.2(b)	Form of 9 ³ / ₄ % senior discount notes (contained in the indenture listed as Exhibit 4.2(a) above) (incorporated by reference to Exhibit 4.2(b) to Cinemark, Inc.'s Registration Statement on Form S-4, File No. 333-116292, filed June 8, 2004).
4.3(a)	Indenture, dated as of February 11, 2003, between Cinemark USA, Inc. and The Bank of New York Trust Company of Florida, N.A. governing the 9% senior subordinated notes issued thereunder (incorporated by reference to Exhibit 10.2(b) to Cinemark USA, Inc.'s Annual Report on Form 10-K (File 033-47040) filed March 19, 2003).
4.3(b)	First Supplemental Indenture, dated as of May 7, 2003, between Cinemark USA, Inc., the subsidiary guarantors party thereto and The Bank of New York Trust Company of Florida, N.A. (incorporated by reference from Exhibit 4.2(i) to Cinemark USA, Inc.'s Registration Statement on Form S-4/A (File No. 333-104940) filed May 28, 2003).
4.3(c)	Second Supplemental Indenture dated as of November 11, 2004, between Cinemark USA, Inc., the subsidiary guarantors party thereto and The Bank of New York Trust Company of Florida, N.A. (incorporated by reference to Exhibit 4.2(c) to Cinemark USA, Inc.'s Annual Report on Form 10-K, File No. 033-047040, filed March 28, 2005).
4.3(d)	Third Supplemental Indenture, dated as of October 5, 2006, among Cinemark USA, Inc., the subsidiaries of Cinemark USA, Inc. named therein, and The Bank of New York Trust Company, N.A., as trustee (incorporated by reference to Exhibit 10.7 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. with the SEC on October 12, 2006).
4.3(e)	Form of 9% Senior Subordinated Note, Due 2013 (contained in the Indenture listed as Exhibit 4.3(a) above) (incorporated by reference to Exhibit 10.2(b) to Cinemark USA, Inc.'s Annual Report on Form 10-K (File 033-47040) filed March 19, 2003).

Number	Exhibit Title
4.4	Stockholders Agreement, dated as of August 7, 2006, effective October 5, 2006, by and among Cinemark Holdings, Inc. and the stockholders party thereto (incorporated by reference to Exhibit 4.4 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed February 1, 2007).
4.5	Registration Agreement, dated as of August 7, 2006, effective October 5, 2006, by and among Cinemark Holdings, Inc. and the stockholders party thereto (incorporated by reference to Exhibit 4.5 to Cinemark Holdings Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed February 1, 2007).
**4.6	Form of Director Nomination Agreement among Cinemark Holdings, Inc. and the stockholders party thereto.
**5	Opinion of Akin Gump Strauss Hauer & Feld LLP.
10.1(a)	Management Agreement, dated December 10, 1993, between Laredo Theatre, Ltd. and Cinemark USA, Inc. (incorporated by reference to Exhibit 10.14(b) to Cinemark USA, Inc.'s Annual Report on Form 10-K, File No. 033-47040, filed March 31, 1994).
10.1(b)	First Amendment to Management Agreement of Laredo Theatre, Ltd., effective as of December 10, 2003, between CNMK Texas Properties, Ltd. (successor in interest to Cinemark USA, Inc.) and Laredo Theatre Ltd. (incorporated by reference to Exhibit 10.1(d) to Cinemark, Inc.'s Registration Statement on Form S-4, File No. 333-116292, filed June 8, 2004).
10.2	Amended and Restated Agreement to Participate in Profits and Losses, dated as of March 12, 2004, between Cinemark USA, Inc. and Alan W. Stock (incorporated by reference to Exhibit 10.2 to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
10.3	License Agreement, dated December 10, 1993, between Laredo Joint Venture and Cinemark USA, Inc. (incorporated by reference to Exhibit 10.14(c) to Cinemark USA, Inc.'s Annual Report on Form 10-K, File No. 033-47040, filed March 31, 1994).
10.4(a)	Tax Sharing Agreement, between Cinemark USA, Inc. and Cinemark International, L.L.C. (f/k/a Cinemark II, Inc.), dated as of June 10, 1992 (incorporated by reference to Exhibit 10.22 to Cinemark USA, Inc.'s Annual Report on Form 10-K, File No. 033-47040, filed March 31, 1993).
10.4(b)	Tax Sharing Agreement, dated as of July 28, 1993, between Cinemark USA, Inc. and Cinemark Mexico (USA) (incorporated by reference to Exhibit 10.10 to Cinemark Mexico (USA)'s Registration Statement on Form S-4, File No. 033-72114, filed on November 24, 1993).
+10.5(a)	Employment Agreement, dated as of March 12, 2004, between Cinemark, Inc. and Lee Roy Mitchell (incorporated by reference to Exhibit 10.14(a) to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
+10.5(b)	First Amendment to Employment Agreement, effective as of December 12, 2006, by and between Cinemark, Inc. and Lee Roy Mitchell (incorporated by reference to Exhibit 10.1 to Cinemark, Inc.'s Current Report on Form 8-K, File No. 001-31372, filed December 18, 2006).
+10.5(c)	Employment Agreement, dated as of March 12, 2004, between Cinemark, Inc. and Alan Stock (incorporated by reference to Exhibit 10.14(b) to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
+10.5(d)	First Amendment to Employment Agreement, effective as of December 12, 2006, by and between Cinemark, Inc. and Alan W. Stock (incorporated by reference to Exhibit 10.2 to Cinemark, Inc.'s Current Report on Form 8-K, File No. 001-31372, filed December 18, 2006).
+10.5(e)	Employment Agreement, dated as of March 12, 2004, between Cinemark, Inc. and Tim Warner (incorporated by reference to Exhibit 10.14(c) to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
+10.5(f)	First Amendment to Employment Agreement, effective as of December 12, 2006, by and between Cinemark, Inc. and Timothy Warner (incorporated by reference to Exhibit 10.3 to Cinemark, Inc.'s Current Report on Form 8-K, File No. 001-31372, filed December 18, 2006).

Number	Exhibit Title
+10.5(g)	Employment Agreement, dated as of March 12, 2004, between Cinemark, Inc. and Robert Copple (incorporated by reference to Exhibit 10.14(d) to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
+10.5(h)	Employment Agreement, dated as of March 12, 2004, between Cinemark, Inc. and Rob Carmony (incorporated by reference to Exhibit 10.14(e) to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
+10.5(i)	Employment Agreement, dated as of March 12, 2004, between Cinemark, Inc. and Tandy Mitchell (incorporated by reference to Exhibit 10.14(f) to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
+10.5(j)	First Amendment to Employment Agreement, dated January 25, 2007, between Cinemark, Inc. and Robert Copple (incorporated by reference to Exhibit 10.5(j) to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed February 1, 2007).
10.6(a)	Credit Agreement, dated as of October 5, 2006, among Cinemark Holdings, Inc., Cinemark, Inc., CNMK Holding, Inc., Cinemark USA, Inc., the several banks and other financial institutions or entities from time to time parties to the Agreement, Lehman Brothers Inc. and Morgan Stanley Senior Funding, Inc., as joint lead arrangers and joint bookrunners, Morgan Stanley Senior Funding, Inc., as syndication agent, BNP Paribas and General Electric Capital Corporation as co-documentation agents, and Lehman Commercial Paper Inc., as administrative agent (incorporated by reference to Exhibit 10.5 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. with the SEC on October 12, 2006).
**10.6(b)	First Amendment to Credit Agreement dated as of March 14, 2007 among Cinemark Holdings, Inc., Cinemark, Inc., CNMK Holding, Inc., Cinemark USA, Inc., the several banks and other financial institutions or entities from time to time parties thereto, Lehman Brothers Inc. and Morgan Stanley Senior Funding, Inc., as joint lead arrangers and joint bookrunners, Morgan Stanley Senior Funding, Inc., as syndication agent, BNP Paribas and General Electric Capital Corporation, as co-documentation agents, and Lehman Commercial Paper Inc., as administrative agent.
10.6(c)	Guarantee and Collateral Agreement, dated as of October 5, 2006, among Cinemark Holdings, Inc., Cinemark, Inc., CNMK Holding, Inc., Cinemark USA, Inc. and each subsidiary guarantor party thereto (incorporated by reference to Exhibit 10.6 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. with the SEC on October 12, 2006).
**+10.7(a)	Cinemark Holdings, Inc. 2006 Long Term Incentive Plan, dated December 22, 2006.
**+10.7(b)	Form of Stock Option Agreement.
**#10.8	Exhibitor Services Agreement, dated as of February 13, 2007, by and between National CineMedia, LLC and Cinemark USA, Inc.
**10.9	Third Amended and Restated Limited Liability Company Operating Agreement, dated as of February 12, 2007, by and between Cinemark Media, Inc., American Multi-Cinema, Inc., Regal CineMedia, LLC and National CineMedia, Inc.
*10.10(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA.
*10.10(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA.
*10.10(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA.
**10.10(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA.

<u>Number</u>	<u>Exhibit Title</u>
*10.10(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA.
*10.11(a)	Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA.
*10.11(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA.
**10.11(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA.
**10.11(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA.
*10.11(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA.
*10.12(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Capitol 16, San Jose, CA.
*10.12(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Capitol 16, San Jose, CA.
*10.12(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Capitol 16, San Jose, CA.
**10.12(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Capitol 16, San Jose, CA.
*10.12(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Capitol 16, San Jose, CA.
*10.13(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 10 Berryessa, San Jose, CA.
*10.13(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 10 Berryessa, San Jose, CA.
**10.13(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 10 Berryessa, San Jose, CA.
**10.13(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 10 Berryessa, San Jose, CA.
*10.13(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 10 Berryessa, San Jose, CA.
*10.14(a)	Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14, Folsom, CA.

<u>Number</u>	<u>Exhibit Title</u>
*10.14(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14, Folsom, CA.
**10.14(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14 at Folsom, CA.
**10.14(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14, Folsom, CA.
*10.14(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14, Folsom, CA.
*10.15(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV.
*10.15(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV.
**10.15(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV.
**10.15(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV.
*10.15(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV.
*10.16(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Park 12, Redwood City, CA.
*10.16(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Park 12, Redwood City, CA.
*10.16(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Park 12, Redwood City, CA.
**10.16(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Park 12, Redwood City, CA.
*10.16(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Park 12, Redwood City, CA.
*10.17(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA.
*10.17(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA.
**10.17(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA.

<u>Number</u>	<u>Exhibit Title</u>
**10.17(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA.
*10.17(e)	Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA.
*10.18(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Plaza 10, S. San Francisco, CA.
**10.18(b)	First Amendment, dated as of October 31, 1996, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Plaza 10, S. San Francisco, CA.
*10.18(c)	Second Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Plaza 10, S. San Francisco, CA.
*10.18(d)	Third Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Plaza 10, S. San Francisco, CA.
**10.18(e)	Fourth Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Plaza 10, S. San Francisco, CA.
*10.18(f)	Fifth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Plaza 10, S. San Francisco, CA.
*10.19(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Fremont, CA.
*10.19(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Fremont, CA.
*10.19(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Fremont, CA.
*10.19(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Fremont, CA.
*10.19(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Fremont, CA.
*10.20(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 7, Newark, CA.
*10.20(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 7, Newark, CA.
**10.20(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 7, Newark, CA.
*10.20(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 7, Newark, CA.

<u>Number</u>	<u>Exhibit Title</u>
*10.20(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 7, Newark, CA.
*10.21(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA.
*10.21(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA.
*10.21(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA.
**10.21(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA.
*10.21(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA.
*10.22(a)	Indenture of Lease, dated as of September 30, 1995, by and between Sycal Properties, Inc. (succeeded by Syufy Properties, Inc.), as landlord and Century Theatres of California, Inc., as tenant, for Cinearts 5, Pleasant Hill, CA.
*10.22(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinearts 5, Pleasant Hill, CA.
**10.22(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinearts 5, Pleasant Hill, CA.
*10.22(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinearts 5, Pleasant Hill, CA.
*10.22(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinearts 5, Pleasant Hill, CA.
*10.23(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 24, San Jose, CA.
*10.23(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 24, San Jose, CA.
**10.23(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 24, San Jose, CA.
**10.23(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 24, San Jose, CA.
*10.23(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 24, San Jose, CA.
*10.24(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA.

<u>Number</u>	<u>Exhibit Title</u>
*10.24(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA.
*10.24(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA.
**10.24(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA.
*10.24(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA.
*10.25(a)	Lease Agreement, dated as of April 10, 1998, by and between Dyer Triangle LLC, as landlord and Century Theatres, Inc., as tenant, for Century 25 Union Landing, Union City, CA.
**10.25(b)	First Amendment, dated as of April 15, 2005, to Lease Agreement, dated as of April 10, 1998, by and between Dyer Triangle LLC, as landlord and Century Theatres, Inc., as tenant, for Century 25 Union Landing, Union City, CA.
**10.25(c)	Second Amendment, dated as of September 29, 2005, to Lease Agreement, dated as of April 10, 1998, by and between Dyer Triangle LLC, as landlord and Century Theatres, Inc., as tenant, for Century 25 Union Landing, Union City, CA.
*10.25(d)	Third Amendment, dated as of August 5, 2006, to Lease Agreement, dated as of April 10, 1998, by and between Dyer Triangle LLC, as landlord and Century Theatres, Inc., as tenant, for Century 25 Union Landing, Union City, CA.
*10.26(a)	Indenture of Lease, dated as of March 7, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Sparks, Sparks, NV.
**10.26(b)	First Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of March 7, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Sparks, Sparks, NV.
**10.26(c)	Second Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of March 7, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Sparks, Sparks, NV.
*10.26(d)	Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of March 7, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Sparks, Sparks, NV.
*10.27(a)	Lease Agreement, dated as of October 1, 1996, by and between Syufy Enterprises, L.P.(succeeded by Stadium Promenade LLC), as landlord and Century Theatres, Inc., as tenant, for Century Stadium 25, Orange, CA.
**10.27(b)	First Amendment, dated as of April 15, 2005, to Lease Agreement, dated as of October 1, 1996, by and between Syufy Enterprises, L.P.(succeeded by Stadium Promenade LLC), as landlord and Century Theatres, Inc., as tenant, for Century Stadium 25, Orange, CA.
**10.27(c)	Second Amendment, dated as of September 29, 2005, to Lease Agreement, dated as of October 1, 1996, by and between Syufy Enterprises, L.P.(succeeded by Stadium Promenade LLC), as landlord and Century Theatres, Inc., as tenant, for Century Stadium 25, Orange, CA.
**10.27(d)	Third Amendment, dated as of August 5, 2006, to Lease Agreement, dated as of October 1, 1996, by and between Syufy Enterprises, L.P.(succeeded by Stadium Promenade LLC), as landlord and Century Theatres, Inc., as tenant, for Century Stadium 25, Orange, CA.
*10.28(a)	Indenture of Lease, dated as of July 1, 1996, by and between Synm Properties Inc.(succeeded by Syufy Properties, Inc.), as landlord and Century Theatres, Inc., as tenant, Century Rio 24, Albuquerque, NM.

<u>Number</u>	<u>Exhibit Title</u>
**10.28(b)	First Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of July 1, 1996, by and between Synm Properties Inc.(succeeded by Syufy Properties, Inc.), as landlord and Century Theatres, Inc., as tenant, Century Rio 24, Albuquerque, NM.
**10.28(c)	Second Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of July 1, 1996, by and between Synm Properties Inc.(succeeded by Syufy Properties, Inc.), as landlord and Century Theatres, Inc., as tenant, Century Rio 24, Albuquerque, NM.
*10.28(d)	Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of July 1, 1996, by and between Synm Properties Inc.(succeeded by Syufy Properties, Inc.), as landlord and Century Theatres, Inc., as tenant, Century Rio 24, Albuquerque, NM.
*10.29(a)	Indenture of Lease, dated as of September 3, 1996, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century 14, Roseville, CA.
**10.29(b)	First Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 3, 1996, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century 14, Roseville, CA.
**10.29(c)	Second Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 3, 1996, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century 14, Roseville, CA.
*10.29(d)	Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 3, 1996, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century 14, Roseville, CA.
*10.30(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Rancho Santa Fe 16, Las Vegas, NV.
*10.30(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Rancho Santa Fe 16, Las Vegas, NV.
*10.30(c)	Second Amendment, dated as of September 30, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Rancho Santa Fe 16, Las Vegas, NV.
*10.31(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA.
*10.31(b)	First Amendment, dated as of October 1, 1996, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA.
*10.31(c)	Second Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA.
**10.31(d)	Third Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA.
*10.31(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA.
*10.32(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Northridge 14, Salinas, CA.
*10.32(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Northridge 14, Salinas, CA.

Number	Exhibit Title
**10.32(c)	Second Amendment, dated as of October 1, 2001, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Northridge 14, Salinas, CA.
*10.32(d)	Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Northridge 14, Salinas, CA.
*10.33(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syut Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT.
**10.33(b)	First Amendment, dated as of January 4, 1998, to Indenture of Lease, dated as of September 30, 1995, by and between Syut Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT.
*10.33(c)	Second Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syut Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT.
**10.33(d)	Third Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syut Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT.
**10.33(e)	Fourth Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syut Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT.
*10.33(f)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syut Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT.
*10.34(a)	Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA.
*10.34(b)	First Amendment, dated as of April 30, 2003, to Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA.
*10.34(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA.
**10.34(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA.
*10.34(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA.
*10.35(a)	Indenture of Lease, dated as of August 1, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Park Lane 16, Reno, NV.
**10.35(b)	First Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of August 1, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Park Lane 16, Reno, NV.
**10.35(c)	Second Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of August 1, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Park Lane 16, Reno, NV.
*10.35(d)	Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of August 1, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Park Lane 16, Reno, NV.

Number	Exhibit Title
*10.36(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA.
*10.36(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA.
**10.36(c)	Second Amendment, dated as of October 1, 2001, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA.
**10.36(d)	Third Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA.
**10.36(e)	Fourth Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA.
*10.36(f)	Fifth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA.
**10.37(a)	Lease Agreement, dated as of October 31, 1997, by and between Sycal Properties, Inc. (succeeded by 150 Pelican LLC), as landlord and Century Theatres, Inc., as tenant, for office building situated at 150 Pelican Way, San Rafael, California
**10.37(b)	First Amendment, dated as of December 1, 1998, to Lease Agreement, dated as of October 31, 1997, by and between Sycal Properties, Inc. (succeeded by 150 Pelican LLC), as landlord and Century Theatres, Inc., as tenant, for office building situated at 150 Pelican Way, San Rafael, California
**10.37(c)	Second Amendment, dated as of October 4, 2006, to Lease Agreement, dated as of October 31, 1997, by and between Sycal Properties, Inc. (succeeded by 150 Pelican LLC), as landlord and Century Theatres, Inc., as tenant, for office building situated at 150 Pelican Way, San Rafael, California
10.38	Stock Purchase Agreement, dated as of August 7, 2006, by and among Cinemark USA, Inc, Cinemark Holdings, Inc., Syufy Enterprises LP, Century Theatres, Inc. and Century Theatres Holdings, LLC (incorporated by reference to Exhibit 10.1 to current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. with the SEC on August 11, 2006)
**21	Subsidiaries of the registrant.
**23.1	Consent of Deloitte & Touche LLP.
**23.2	Consent of Grant Thornton LLP.
**23.3	Consent of Akin Gump Strauss Hauer & Feld LLP (included in the opinion filed as Exhibit 5 to this Registration Statement).
**23.4	Consent of Deloitte & Touche LLP.
24	Power of Attorney (included on the signature page of Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed February 1, 2007).
**99.1	Consent of PricewaterhouseCoopers LLP.
**99.2	Consent of BIA Financial Network, Inc.
**99.3	Consent of National CineMedia, LLC.

* Filed herewith

** Previously filed

Confidential treatment has been requested with respect to certain portions of this exhibit. Omitted portions have been filed separately with the Securities and Exchange Commission.

+ Management contract, compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Plano, State of Texas, on April 20, 2007.

CINEMARK HOLDINGS, INC.

By: /s/ ALAN W. STOCK
Alan W. Stock, *Chief Executive Officer*

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>*</u> Lee Roy Mitchell	Chairman of the Board of Directors and Director	April 20, 2007
<u>/s/ ALAN W. STOCK</u> Alan W. Stock	Chief Executive Officer (principal executive officer)	April 20, 2007
<u>/s/ ROBERT COPPLE</u> Robert Copple	Executive Vice President; Treasurer and Chief Financial Officer (principal financial and accounting officer)	April 20, 2007
<u>*</u> Benjamin D. Chereskin	Director	April 20, 2007
<u>*</u> James N. Perry, Jr.	Director	April 20, 2007
<u>*</u> Robin P. Selati	Director	April 20, 2007
<u>*</u> Vahe A. Dombalagian	Director	April 20, 2007
<u>*</u> Peter R. Ezersky	Director	April 20, 2007
<u>*</u> Enrique F. Senior	Director	April 20, 2007
<u>*</u> Raymond W. Syufy	Director	April 20, 2007
<u>*</u> Joseph E. Syufy	Director	April 20, 2007
<u>*By: /s/ MICHAEL CAVALIER</u> Michael Cavalier <i>Attorney-in-Fact</i>		

EXHIBIT INDEX

Number	<u>Exhibit Title</u>
**1	Form of Underwriting Agreement.
2.1	Stock Contribution and Exchange Agreement, dated as of August 7, 2006, by and between Cinemark Holdings, Inc., Cinemark, Inc., Syufy Enterprises, LP and Century Theatres Holdings, LLC (incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. with the SEC on August 11, 2006).
2.2	Contribution and Exchange Agreement, dated as of August 7, 2006, by and among Cinemark Holdings, Inc. and Lee Roy Mitchell, The Mitchell Special Trust, Alan W. Stock, Timothy Warner, Robert Cople, Michael Cavalier, Northwestern University, John Madigan, Quadrangle Select Partners LP, Quadrangle Capital Partners A LP, Madison Dearborn Capital Partners IV, L.P., K&E Investment Partners, LLC — 2004-B-DIF, Piola Investments Ltd., Quadrangle (Cinemark) Capital Partners LP and Quadrangle Capital Partners LP (incorporated by reference to Exhibit 10.3 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. with the SEC on August 11, 2006).
**3.1	Second Amended and Restated Certificate of Incorporation of Cinemark Holdings, Inc. filed with the Delaware Secretary of State on April 9, 2007.
**3.2(a)	Amended and Restated Bylaws of Cinemark Holdings, Inc. dated April 9, 2007.
**3.2(b)	First Amendment to the Amended and Restated Bylaws of Cinemark Holdings, Inc. dated April 16, 2007.
**4.1	Specimen stock certificate of Cinemark Holdings, Inc.
4.2(a)	Indenture, dated as of March 31, 2004, between Cinemark, Inc. and The Bank of New York Trust Company, N.A. governing the 9 ³ / ₄ % senior discount notes issued thereunder (incorporated by reference to Exhibit 4.2(a) to Cinemark, Inc.'s Registration Statement on Form S-4, File No. 333-116292, filed June 8, 2004).
4.2(b)	Form of 9 ³ / ₄ % senior discount notes (contained in the indenture listed as Exhibit 4.2(a) above) (incorporated by reference to Exhibit 4.2(b) to Cinemark, Inc.'s Registration Statement on Form S-4, File No. 333-116292, filed June 8, 2004).
4.3(a)	Indenture, dated as of February 11, 2003, between Cinemark USA, Inc. and The Bank of New York Trust Company of Florida, N.A. governing the 9% senior subordinated notes issued thereunder (incorporated by reference to Exhibit 10.2(b) to Cinemark USA, Inc.'s Annual Report on Form 10-K (File 033-47040) filed March 19, 2003).
4.3(b)	First Supplemental Indenture, dated as of May 7, 2003, between Cinemark USA, Inc., the subsidiary guarantors party thereto and The Bank of New York Trust Company of Florida, N.A. (incorporated by reference to Exhibit 4.2(i) to Cinemark USA, Inc.'s Registration Statement on Form S-4/A (File No. 333-104940) filed May 28, 2003).
4.3(c)	Second Supplemental Indenture dated as of November 11, 2004, between Cinemark USA, Inc., the subsidiary guarantors party thereto and The Bank of New York Trust Company of Florida, N.A. (incorporated by reference to Exhibit 4.2(c) to Cinemark USA, Inc.'s Annual Report on Form 10-K, File No. 033-047040, filed March 28, 2005).
4.3(d)	Third Supplemental Indenture, dated as of October 5, 2006, among Cinemark USA, Inc., the subsidiaries of Cinemark USA, Inc. named therein, and The Bank of New York Trust Company, N.A., as trustee (incorporated by reference to Exhibit 10.7 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. with the SEC on October 12, 2006).
4.3(e)	Form of 9% Senior Subordinated Note, Due 2013 (contained in the Indenture listed as Exhibit 4.3(a) above) (incorporated by reference to Exhibit 10.2(b) to Cinemark USA, Inc.'s Annual Report on Form 10-K (File 033-47040) filed March 19, 2003).
4.4	Stockholders Agreement, dated as of August 7, 2006, effective October 5, 2006, by and among Cinemark Holdings, Inc. and the stockholders party thereto (incorporated by reference to Exhibit 4.4 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed February 1, 2007).
4.5	Registration Agreement, dated as of August 7, 2006, effective October 5, 2006, by and among Cinemark Holdings, Inc. and the stockholders party thereto (incorporated by reference to Exhibit 4.5 to Cinemark Holdings Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed February 1, 2007).

Number	Exhibit Title
**4.6	Form of Director Nomination Agreement among Cinemark Holdings, Inc. and the stockholders party thereto.
**5	Opinion of Akin Gump Strauss Hauer & Feld LLP.
10.1(a)	Management Agreement, dated December 10, 1993, between Laredo Theatre, Ltd. and Cinemark USA, Inc. (incorporated by reference to Exhibit 10.14(b) to Cinemark USA, Inc.'s Annual Report on Form 10-K, File No. 033-47040, filed March 31, 1994).
10.1(b)	First Amendment to Management Agreement of Laredo Theatre, Ltd., effective as of December 10, 2003, between CNMK Texas Properties, Ltd. (successor in interest to Cinemark USA, Inc.) and Laredo Theatre Ltd. (incorporated by reference to Exhibit 10.1(d) to Cinemark, Inc.'s Registration Statement on Form S-4, File No. 333-116292, filed June 8, 2004).
10.2	Amended and Restated Agreement to Participate in Profits and Losses, dated as of March 12, 2004, between Cinemark USA, Inc. and Alan W. Stock (incorporated by reference to Exhibit 10.2 to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
10.3	License Agreement, dated December 10, 1993, between Laredo Joint Venture and Cinemark USA, Inc. (incorporated by reference to Exhibit 10.14(c) to Cinemark USA, Inc.'s Annual Report on Form 10-K, File No. 033-47040, filed March 31, 1994).
10.4(a)	Tax Sharing Agreement, between Cinemark USA, Inc. and Cinemark International, L.L.C. (f/k/a Cinemark II, Inc.), dated as of June 10, 1992 (incorporated by reference to Exhibit 10.22 to Cinemark USA, Inc.'s Annual Report on Form 10-K, File No. 033-47040, filed March 31, 1993).
10.4(b)	Tax Sharing Agreement, dated as of July 28, 1993, between Cinemark USA, Inc. and Cinemark Mexico (USA) (incorporated by reference to Exhibit 10.10 to Cinemark Mexico (USA)'s Registration Statement on Form S-4, File No. 033-72114, filed on November 24, 1993).
+10.5(a)	Employment Agreement, dated as of March 12, 2004, between Cinemark, Inc. and Lee Roy Mitchell (incorporated by reference to Exhibit 10.14(a) to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
+10.5(b)	First Amendment to Employment Agreement, effective as of December 12, 2006, by and between Cinemark, Inc. and Lee Roy Mitchell (incorporated by reference to Exhibit 10.1 to Cinemark, Inc.'s Current Report on Form 8-K, File No. 001-31372, filed December 18, 2006).
+10.5(c)	Employment Agreement, dated as of March 12, 2004, between Cinemark, Inc. and Alan Stock (incorporated by reference to Exhibit 10.14(b) to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
+10.5(d)	First Amendment to Employment Agreement, effective as of December 12, 2006, by and between Cinemark, Inc. and Alan W. Stock (incorporated by reference to Exhibit 10.2 to Cinemark, Inc.'s Current Report on Form 8-K, File No. 001-31372, filed December 18, 2006).
+10.5(e)	Employment Agreement, dated as of March 12, 2004, between Cinemark, Inc. and Tim Warner (incorporated by reference to Exhibit 10.14(c) to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
+10.5(f)	First Amendment to Employment Agreement, effective as of December 12, 2006, by and between Cinemark, Inc. and Timothy Warner (incorporated by reference to Exhibit 10.3 to Cinemark, Inc.'s Current Report on Form 8-K, File No. 001-31372, filed December 18, 2006).
+10.5(g)	Employment Agreement, dated as of March 12, 2004, between Cinemark, Inc. and Robert Copple (incorporated by reference to Exhibit 10.14(d) to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
+10.5(h)	Employment Agreement, dated as of March 12, 2004, between Cinemark, Inc. and Rob Carmony (incorporated by reference to Exhibit 10.14(e) to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
+10.5(i)	Employment Agreement, dated as of March 12, 2004, between Cinemark, Inc. and Tandy Mitchell (incorporated by reference to Exhibit 10.14(f) to Cinemark USA, Inc.'s Quarterly Report on Form 10-Q, File No. 033-47040, filed May 14, 2004).
+10.5(j)	First Amendment to Employment Agreement, dated January 25, 2007, between Cinemark, Inc. and Robert Copple (incorporated by reference to Exhibit 10.5(j) to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed February 1, 2007).

Number	Exhibit Title
10.6(a)	Credit Agreement, dated as of October 5, 2006, among Cinemark Holdings, Inc., Cinemark, Inc., CNMK Holding, Inc., Cinemark USA, Inc., the several banks and other financial institutions or entities from time to time parties to the Agreement, Lehman Brothers Inc. and Morgan Stanley Senior Funding, Inc., as joint lead arrangers and joint bookrunners, Morgan Stanley Senior Funding, Inc., as syndication agent, BNP Paribas and General Electric Capital Corporation as co-documentation agents, and Lehman Commercial Paper Inc., as administrative agent (incorporated by reference to Exhibit 10.5 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. with the SEC on October 12, 2006).
**10.6(b)	First Amendment to Credit Agreement dated as of March 14, 2007 among Cinemark Holdings, Inc., Cinemark, Inc., CNMK Holding, Inc., Cinemark USA, Inc., the several banks and other financial institutions or entities from time to time parties thereto, Lehman Brothers Inc. and Morgan Stanley Senior Funding, Inc., as joint lead arrangers and joint bookrunners, Morgan Stanley Senior Funding, Inc., as syndication agent, BNP Paribas and General Electric Capital Corporation, as co-documentation agents, and Lehman Commercial Paper Inc., as administrative agent.
10.6(c)	Guarantee and Collateral Agreement, dated as of October 5, 2006, among Cinemark Holdings, Inc., Cinemark, Inc., CNMK Holding, Inc., Cinemark USA, Inc. and each subsidiary guarantor party thereto (incorporated by reference to Exhibit 10.6 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. with the SEC on October 12, 2006).
**+10.7(a)	Cinemark Holdings, Inc. 2006 Long Term Incentive Plan, dated December 22, 2006.
**+10.7(b)	Form of Stock Option Agreement.
**#10.8	Exhibitor Services Agreement, dated as of February 13, 2007, by and between National CineMedia, LLC and Cinemark USA, Inc.
**10.9	Third Amended and Restated Limited Liability Company Operating Agreement, dated as of February 12, 2007, by and between Cinemark Media, Inc., American Multi-Cinema, Inc., Regal CineMedia, LLC and National CineMedia, Inc.
*10.10(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA.
*10.10(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA.
*10.10(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA.
**10.10(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA.
*10.10(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA.
*10.11(a)	Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA.
*10.11(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA.
**10.11(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA.
**10.11(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA.

<u>Number</u>	<u>Exhibit Title</u>
*10.11(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA.
*10.12(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Capitol 16, San Jose, CA.
*10.12(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Capitol 16, San Jose, CA.
*10.12(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Capitol 16, San Jose, CA.
**10.12(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Capitol 16, San Jose, CA.
*10.12(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Capitol 16, San Jose, CA.
*10.13(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 10 Berryessa, San Jose, CA.
*10.13(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 10 Berryessa, San Jose, CA.
**10.13(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 10 Berryessa, San Jose, CA.
**10.13(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 10 Berryessa, San Jose, CA.
*10.13(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 10 Berryessa, San Jose, CA.
*10.14(a)	Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14, Folsom, CA.
*10.14(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14, Folsom, CA.
**10.14(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14 at Folsom, CA.
**10.14(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14, Folsom, CA.
*10.14(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14, Folsom, CA.
*10.15(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV.
*10.15(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV.

<u>Number</u>	<u>Exhibit Title</u>
**10.15(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV.
**10.15(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV.
*10.15(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV.
*10.16(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Park 12, Redwood City, CA.
*10.16(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Park 12, Redwood City, CA.
*10.16(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Park 12, Redwood City, CA.
**10.16(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Park 12, Redwood City, CA.
*10.16(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Park 12, Redwood City, CA.
*10.17(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA.
*10.17(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA.
**10.17(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA.
**10.17(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA.
*10.17(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA.
*10.18(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Plaza 10, S. San Francisco, CA.
**10.18(b)	First Amendment, dated as of October 31, 1996, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Plaza 10, S. San Francisco, CA.
*10.18(c)	Second Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Plaza 10, S. San Francisco, CA.
*10.18(d)	Third Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Plaza 10, S. San Francisco, CA.
**10.18(e)	Fourth Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Plaza 10, S. San Francisco, CA.

<u>Number</u>	<u>Exhibit Title</u>
*10.18(f)	Fifth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Plaza 10, S. San Francisco, CA.
*10.19(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Fremont, CA.
*10.19(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Fremont, CA.
*10.19(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Fremont, CA.
*10.19(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Fremont, CA.
*10.19(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Fremont, CA.
*10.20(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 7, Newark, CA.
*10.20(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 7, Newark, CA.
**10.20(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 7, Newark, CA.
*10.20(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 7, Newark, CA.
*10.20(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 7, Newark, CA.
*10.21(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA.
*10.21(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA.
*10.21(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA.
**10.21(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA.
*10.21(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA.
*10.22(a)	Indenture of Lease, dated as of September 30, 1995, by and between Sycal Properties, Inc. (succeeded by Syufy Properties, Inc.), as landlord and Century Theatres of California, Inc., as tenant, for Cinearts 5, Pleasant Hill, CA.
*10.22(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinearts 5, Pleasant Hill, CA.

<u>Number</u>	<u>Exhibit Title</u>
**10.22(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinearts 5, Pleasant Hill, CA.
*10.22(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinearts 5, Pleasant Hill, CA.
*10.22(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinearts 5, Pleasant Hill, CA.
*10.23(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 24, San Jose, CA.
*10.23(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 24, San Jose, CA.
**10.23(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 24, San Jose, CA.
**10.23(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 24, San Jose, CA.
*10.23(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 24, San Jose, CA.
*10.24(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA.
*10.24(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA.
*10.24(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA.
**10.24(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA.
*10.24(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA.
*10.25(a)	Lease Agreement, dated as of April 10, 1998, by and between Dyer Triangle LLC, as landlord and Century Theatres, Inc., as tenant, for Century 25 Union Landing, Union City, CA.
**10.25(b)	First Amendment, dated as of April 15, 2005, to Lease Agreement, dated as of April 10, 1998, by and between Dyer Triangle LLC, as landlord and Century Theatres, Inc., as tenant, for Century 25 Union Landing, Union City, CA.
**10.25(c)	Second Amendment, dated as of September 29, 2005, to Lease Agreement, dated as of April 10, 1998, by and between Dyer Triangle LLC, as landlord and Century Theatres, Inc., as tenant, for Century 25 Union Landing, Union City, CA.
*10.25(d)	Third Amendment, dated as of August 5, 2006, to Lease Agreement, dated as of April 10, 1998, by and between Dyer Triangle LLC, as landlord and Century Theatres, Inc., as tenant, for Century 25 Union Landing, Union City, CA.
*10.26(a)	Indenture of Lease, dated as of March 7, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Sparks, Sparks, NV.
**10.26(b)	First Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of March 7, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Sparks, Sparks, NV.

<u>Number</u>	<u>Exhibit Title</u>
**10.26(c)	Second Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of March 7, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Sparks, Sparks, NV.
*10.26(d)	Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of March 7, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Sparks, Sparks, NV.
*10.27(a)	Lease Agreement, dated as of October 1, 1996, by and between Syufy Enterprises, L.P.(succeeded by Stadium Promenade LLC), as landlord and Century Theatres, Inc., as tenant, for Century Stadium 25, Orange, CA.
**10.27(b)	First Amendment, dated as of April 15, 2005, to Lease Agreement, dated as of October 1, 1996, by and between Syufy Enterprises, L.P.(succeeded by Stadium Promenade LLC), as landlord and Century Theatres, Inc., as tenant, for Century Stadium 25, Orange, CA.
**10.27(c)	Second Amendment, dated as of September 29, 2005, to Lease Agreement, dated as of October 1, 1996, by and between Syufy Enterprises, L.P.(succeeded by Stadium Promenade LLC), as landlord and Century Theatres, Inc., as tenant, for Century Stadium 25, Orange, CA.
**10.27(d)	Third Amendment, dated as of August 5, 2006, to Lease Agreement, dated as of October 1, 1996, by and between Syufy Enterprises, L.P.(succeeded by Stadium Promenade LLC), as landlord and Century Theatres, Inc., as tenant, for Century Stadium 25, Orange, CA.
*10.28(a)	Indenture of Lease, dated as of July 1, 1996, by and between Synm Properties Inc.(succeeded by Syufy Properties, Inc.), as landlord and Century Theatres, Inc., as tenant, Century Rio 24, Albuquerque, NM.
**10.28(b)	First Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of July 1, 1996, by and between Synm Properties Inc.(succeeded by Syufy Properties, Inc.), as landlord and Century Theatres, Inc., as tenant, Century Rio 24, Albuquerque, NM.
**10.28(c)	Second Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of July 1, 1996, by and between Synm Properties Inc.(succeeded by Syufy Properties, Inc.), as landlord and Century Theatres, Inc., as tenant, Century Rio 24, Albuquerque, NM.
*10.28(d)	Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of July 1, 1996, by and between Synm Properties Inc.(succeeded by Syufy Properties, Inc.), as landlord and Century Theatres, Inc., as tenant, Century Rio 24, Albuquerque, NM.
*10.29(a)	Indenture of Lease, dated as of September 3, 1996, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century 14, Roseville, CA.
**10.29(b)	First Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 3, 1996, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century 14, Roseville, CA.
**10.29(c)	Second Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 3, 1996, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century 14, Roseville, CA.
*10.29(d)	Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 3, 1996, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century 14, Roseville, CA.
*10.30(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Rancho Santa Fe 16, Las Vegas, NV.
*10.30(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Rancho Santa Fe 16, Las Vegas, NV.
*10.30(c)	Second Amendment, dated as of September 30, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Rancho Santa Fe 16, Las Vegas, NV.
*10.31(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA.

Number	Exhibit Title
*10.31(b)	First Amendment, dated as of October 1, 1996, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA.
*10.31(c)	Second Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA.
**10.31(d)	Third Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA.
*10.31(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA.
*10.32(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Northridge 14, Salinas, CA.
*10.32(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Northridge 14, Salinas, CA.
**10.32(c)	Second Amendment, dated as of October 1, 2001, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Northridge 14, Salinas, CA.
*10.32(d)	Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Northridge 14, Salinas, CA.
*10.33(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syut Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT.
**10.33(b)	First Amendment, dated as of January 4, 1998, to Indenture of Lease, dated as of September 30, 1995, by and between Syut Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT.
*10.33(c)	Second Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syut Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT.
**10.33(d)	Third Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syut Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT.
**10.33(e)	Fourth Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syut Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT.
*10.33(f)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syut Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT.
*10.34(a)	Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA.
*10.34(b)	First Amendment, dated as of April 30, 2003, to Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA.
*10.34(c)	Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA.
**10.34(d)	Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA.

Number	Exhibit Title
*10.34(e)	Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA.
*10.35(a)	Indenture of Lease, dated as of August 1, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Park Lane 16, Reno, NV.
**10.35(b)	First Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of August 1, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Park Lane 16, Reno, NV.
**10.35(c)	Second Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of August 1, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Park Lane 16, Reno, NV.
*10.35(d)	Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of August 1, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Park Lane 16, Reno, NV.
*10.36(a)	Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA.
*10.36(b)	First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA.
**10.36(c)	Second Amendment, dated as of October 1, 2001, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA.
**10.36(d)	Third Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA.
**10.36(e)	Fourth Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA.
*10.36(f)	Fifth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA.
**10.37(a)	Lease Agreement, dated as of October 31, 1997, by and between Sycal Properties, Inc. (succeeded by 150 Pelican LLC), as landlord and Century Theatres, Inc., as tenant, for office building situated at 150 Pelican Way, San Rafael, California
**10.37(b)	First Amendment, dated as of December 1, 1998, to Lease Agreement, dated as of October 31, 1997, by and between Sycal Properties, Inc. (succeeded by 150 Pelican LLC), as landlord and Century Theatres, Inc., as tenant, for office building situated at 150 Pelican Way, San Rafael, California
**10.37(c)	Second Amendment, dated as of October 4, 2006, to Lease Agreement, dated as of October 31, 1997, by and between Sycal Properties, Inc. (succeeded by 150 Pelican LLC), as landlord and Century Theatres, Inc., as tenant, for office building situated at 150 Pelican Way, San Rafael, California
10.38	Stock Purchase Agreement, dated as of August 7, 2006, by and among Cinemark USA, Inc, Cinemark Holdings, Inc., Syufy Enterprises LP, Century Theatres, Inc. and Century Theatres Holdings, LLC (incorporated by reference to Exhibit 10.1 to current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. with the SEC on August 11, 2006)
**21	Subsidiaries of the registrant.
**23.1	Consent of Deloitte & Touche LLP.
**23.2	Consent of Grant Thornton LLP.
**23.3	Consent of Akin Gump Strauss Hauer & Feld LLP (included in the opinion filed as Exhibit 5 to this Registration Statement).
**23.4	Consent of Deloitte & Touche LLP.

<u>Number</u>	<u>Exhibit Title</u>
24	Power of Attorney (included on the signature page of Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed February 1, 2007).
**99.1	Consent of PricewaterhouseCoopers LLP.
**99.2	Consent of BIA Financial Network, Inc.
**99.3	Consent of National CineMedia, LLC.

* Filed herewith
** Previously filed

Confidential treatment has been requested with respect to certain portions of this exhibit. Omitted portions have been filed separately with the Securities and Exchange Commission.

+ Management contract, compensatory plan or arrangement.

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Buildings, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Entire Premises.

EXHIBIT B — a site plan of the Entire Premises including the Leased Premises which is outlined in red.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Entire Premises" shall mean the Land including Buildings, the Leased Premises, parking, driveways and such other improvements as may presently exist or be added.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the Leased Premises.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves and retains the right to develop the unimproved portion of the Entire Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate"; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

C) Tenant is granted a non-exclusive easement for parking and ingress and egress on and over the Entire Premises. The location of said easements may be changed at the sole discretion of the Landlord so long as such change does not interfere with Tenant's Permitted Use. Tenant shall be responsible for all costs related to the Entire Premises exclusive of Landlord's Buildings.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$158,333.33 The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco- Oakland-San Jose Average, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Entire Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any other items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Entire Premises and/or the Improvements on the Entire Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which are assessed on any Buildings exclusive of the Entire Premises, Tenant shall pay all such impositions. With respect to Impositions which by law may be paid in installments over a period of time, Tenant shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Tenant has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Landlord's Buildings subject to the Installment Election, Landlord's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Tenant had in fact made the Installment Election. Landlord shall pay all such real property taxes to the Tenant prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Landlord shall pay Tenant in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Exceptions from Impositions; Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Entire Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Entire Premises were the only property of Landlord subject to such taxes, or the income from operation of the Entire Premises were Landlord's only income, as the case may be. In the event of such assessment, Landlord would pay Tenant any such assessment related to any Buildings other than the Leased Premises located on the Entire Premises.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.04. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.04.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Entire Premises including the Common Area but exclusive of Landlord's buildings.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI
INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Entire Premises (exclusive of the interior of Landlord's Buildings), Leased Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Ten Million Dollars (\$10,000,000) per occurrence and in the aggregate.

B) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations, footings and underground improvements) and personal property as well as all Improvements on the Common area, (Landlord's Buildings excluded), including, but not limited to, signs, outdoor lighting fixtures and fences insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood, but including Builders Risk, to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after thirty (30) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article XIV, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article,

irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Entire Premises which shall include the Common Area, driveways, parking, landscaping, signs, fences, lighting and any and all improvements (exclusive of Landlord's Buildings) in first class condition and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Entire Premises (exclusive of Landlord's Buildings) shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation

and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated biphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.02 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to

commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not, without prior advance notice to Tenant, cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof,

or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. All such signs shall be maintained at Tenant's sole expense.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as

"Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenant's Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operates motion picture theatres and has a book net worth of not less than \$30,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII
MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV
CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

- A) Notice of Intended Taking;
- B) Service of any legal process relating to condemnation of the Premises or improvements;
- C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or
- D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

- A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;
- B) To Landlord, the amount awarded, if any, for severance damages
- C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);
- D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;
- E) To Landlord, any other award which will not reduce the amount which otherwise would be awarded to Tenant; and
- F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt

of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

- A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;
- B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.
- C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively, they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of

Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

- A) Tenant is a California corporation in good standing.
- B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.
- C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

ARTICLE XVII
DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises or the improvements to the Common Area are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises or the Common Area improvements unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises or the Common Area improvements to the extent then allowed by Law, to substantially the same condition in which the Leased Premises or the Common Area Improvements were immediately prior to such damage..

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenantable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.10 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.10 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent.

18.10 Addresses for Notices to Landlord and Tenant.

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn: Real Estate Department

To Tenant: Century Theatres of California, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California Corporation

By: /s/ Joseph Syufy

Print Name: Joseph Syufy

Title: V.P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy

Print Name: Raymond W. Syufy

Title: G.P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located on Ethan Way in Sacramento, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to the "San Francisco-Oakland-San Jose Average" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter

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imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$30,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

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Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy

Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy

Joseph Syufy
President

[STAMP]

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Second Amendment to Lease

This Second Amendment to Lease (this "**Amendment**") dated April 15, 2005 is executed by and between Syufy Enterprises, L.P., a California limited partnership ("**Landlord**") and Century Theatres, Inc., a California corporation ("**Tenant**").

Witnesseth:

Whereas, Landlord and Century Theatres of California, Inc., a California corporation, entered into a lease dated September 30, 1995, as amended by that certain First Amendment to Lease, dated September 1, 2000 between Landlord and Century Theatres, Inc., a Delaware corporation (as amended, the "**Lease**"), for a motion picture building and related parking (the "**Premises**") located at Century Complex Sacramento, 1590 Ethan Way, Sacramento, California; capitalized terms used but not defined herein shall have the meanings set forth in the Lease; and

Whereas, Century Theatres, Inc., a Delaware corporation ("**Century Theatres (DE)**"), succeeded Century Theatres of California, Inc., as Tenant; and

Whereas, Century Theatres (DE) assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

Whereas, Century Theatres, Inc., a California corporation, has succeeded Century Theatres (DE) as Tenant; and

Whereas, Century Theatres, Inc., a California corporation, has assumed all obligations of Century Theatres (DE), as set forth in the Lease; and

Whereas, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

Now, Therefore, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Renewal Option

The "Option to Extend Lease Term" set forth in Section 2.03 of the Lease is hereby deleted in its entirety and replaced with the following:

2.03 Option to Extend Lease Term

- A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for one (1) additional period of three (3) years (the "**Renewal Term**"), subject to all the provisions of this Lease. The Renewal Term shall commence at the expiration of the Initial Term, and shall terminate on the third (3rd) anniversary of the date of commencement of the Renewal Term, unless sooner terminated as provided herein.

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- B) Failure to duly exercise the option for the Renewal Term shall nullify the option.
- C) Tenant's right to the option to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:
 - (1) This Lease being in full force and effect on the last day of the Initial Term.
 - (2) Compliance with the following procedure for exercising the option in question:
 - (a) At least nine (9) months before the last day of the Initial Term, Tenant shall give Landlord written notice exercising the option.
 - (b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If the option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.
 - (3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

B. Landlord's Right to Develop

- 1. The second sentence of Section 2.01(a) of the Lease is hereby deleted in its entirety and replaced with the following:

Tenant expressly agrees that Landlord shall have the right, but shall have no obligation, to demolish, renovate, remodel, reconstruct or otherwise alter or develop in any manner the Entire Premises or any portion thereof for any and all uses beyond the Permitted Use (the **"Development"**) without Tenant's consent; provided, however, that the Development shall not materially interfere with the Permitted Use or Tenant's access to the Premises. In addition to developing some or all of the Entire Premises that are outside of the Building, Landlord's Development rights set forth above shall include all roof-top and other exterior communication and advertising rights on or about the Entire Premises, including, without limitation, the exclusive right to install, locate, maintain, use, replace and repair satellite dishes and other roof-top communications equipment on the roof of the Building. In connection with the foregoing, Tenant agrees that Tenant shall have no right to lease or otherwise allow any third party to access or use the roof of the Building or any portion of the Premises for any use other than the Permitted Use.

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2. Tenant hereby waives all claims of any nature whatsoever Tenant may now have or may hereafter have against Landlord relating in any manner to, directly or indirectly, the Development. Without limiting the generality of the foregoing, Landlord shall not be liable for any damage to persons or property located in, on or about the Premises resulting from or in connection with the Development, and Tenant waives and shall defend, indemnify and hold harmless Landlord from any and all claims asserted by Tenant or Tenant's officers, agents, employees, contractors, licensees, invitees or guests arising from damage resulting from or in connection with the Development (except to the extent such damage is caused by the willful act or gross negligence of Landlord; provided, however, that Landlord shall not be liable for any consequential damages, including, without limitation, any claim for loss of profit or business).

C. Surrender

Notwithstanding anything to the contrary in the Lease, upon the expiration or earlier termination of the Lease and promptly following Tenant's receipt of a cost estimate thereof from Landlord, Tenant shall pay to Landlord an amount equal to the cost of demolishing the improvements located on the Premises and removing all surface debris therefrom to Landlord's reasonable satisfaction, as such cost estimate is determined by Landlord in Landlord's sole and absolute discretion; provided, however, that Tenant may remove any or all of Tenant's furniture, fixtures and equipment (the "FF&E") from the Premises, so long as such removal occurs within forty-five (45) days after the Termination Date and Tenant repairs all extraordinary damage caused by such removal. Except as set forth above, from and after the Termination Date, the parties shall have no further rights under the Lease nor further obligations with respect to the Premises, except for any rights or obligations which expressly survive the termination of the Lease in accordance with the provisions thereof or at law.

D. Miscellaneous

1. This Amendment constitutes the entire understanding of the parties with respect to the subject matter hereof and all prior agreements, representations, and understandings between the parties, whether oral or written, are deemed null, all of the foregoing having been merged into this Amendment.

2. This Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease shall remain in full force and effect.

3. This Amendment shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives and successors and assigns.

4. Each party hereby specifically represents and warrants that its execution of this Amendment has been duly authorized by all necessary corporate or other action, and that this Amendment when fully signed and delivered shall constitute a binding agreement of such party, enforceable in accordance with its terms.

5. The parties acknowledge that each party and/or its counsel have reviewed and revised this Amendment and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Amendment

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or any amendments or exhibits to this Amendment or any document executed and delivered by either party in connection with this Amendment.

6. This Amendment may be executed in counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

[Signatures on following page]

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In Witness Whereof, Landlord and Tenant have executed this Amendment to be effective as of the date first written above.

**Syfy Enterprises, L.P.,
a California limited partnership
“Landlord”**

/s/ Raymond Syufy
Raymond Syufy,
Chief Executive Officer

**Century Theatres, Inc.,
a California corporation
“Tenant”**

/s/ Joseph Syufy
Joseph Syufy,
Chief Executive Officer

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FOURTH AMENDMENT TO LEASE

(Stadium 14, Sacramento)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Landlord (then known as Syufy Enterprises ("Original Landlord")) and Century Theatres of California Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in Sacramento, California.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"), and (iii) Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"); the Original Lease as heretofore amended is referred to herein as the "Lease".

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options** Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise an validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Sacramento typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure, (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. Damage and Destruction – Repairs by Tenant. Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) **Tenant's Obligation to Repair.** If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this (A) and (B), except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) **Damage in Excess of 20%.** If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in Section (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall

not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

“Gross Sales” shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from “Gross Sales” (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant’s actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called “four-wall deals” with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such “four-wall deals” shall be included in “Gross Sales” under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from “Gross Sales” (if and to the extent previously included in “Gross Sales”).

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a “Reassessment”) for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term “Tax Increase” shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
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- (ii) Attributable to the annual inflationary increases in real estate taxes; or
- (iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant's exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 5 of this Amendment hereof.

13. Rooftop Equipment and Access. Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without

limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

14. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (i) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.
 - (ii) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.
 - (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Nonleased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food), a liquor store (other than first-class or upper-end wine and liquor store such as "BevMo"); a bulk candy store, (other than upperend candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.
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- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.
- (v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

15. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class motion picture theatre complex (whether operated as a so-called "first-run" theatre, a "second run" theatre, and/or an "art house" theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called "adult" theater complex.

16. **No Obligation To Continuously Operate** Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

17. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

18. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease,

including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

19. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

20. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

- (a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either
-

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

21. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms "Leased Premises", "Demised Premises" or "Premises" (and whether or not capitalized) is used herein, it shall be understood to mean the "premises leased hereby"; and whenever the term "Entire Premises" is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term "Non-leased Premises" shall mean the Entire Premises less the Leased Premises.

22. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* - it being the intent of the parties hereto that this Amendment shall supercede such Second Amendment and Third Amendment in their entirety.

23. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the "Lease" shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES L.P., a California limited partnership

By: /s/ Joseph Syufy
Name: Joseph Syufy
Title: President, Syufy Properties, Inc., General Partner

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufy
Name: Raymond W. Syufy,
Title: Chairman

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Exhibit A	A Description of Entire Premises
Exhibit B	A Site Plan of Entire Premises
Exhibit C	Form of Memorandum of Lease
Exhibit D	Guaranty of Lease

LEASE

THIS INDENTURE OF LEASE, dated as of December 1, 1995, by and between Syufy Enterprises, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, CA, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in a parcel of land described on Exhibit A attached hereto.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I
EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the tract of land hereinafter referred to as "Entire Premises".

EXHIBIT B — a site plan of the Entire Premises showing (i) the location of the Tenant's Building, outlined in red.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease.

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean July 1, 1996.

The term "Common Facilities" or "Common Areas" shall include the parking areas, streets, driveways, curb cuts, access facilities, aisles, sidewalks, malls, landscaped areas, and other common and service areas within the Entire Premises with the improvements thereon, whether or not shown on Exhibit B.

The term "Effective Date" shall mean December 1, 1995.

The term "Default Rate" shall mean the lesser of (i) the "Prime Rate" plus four percent (4%) or (ii) the highest rate of interest that may lawfully be charged to the party then required to pay interest under this Lease at the Default Rate.

The term "Entire Premises" shall mean the tract of land described on Exhibit B.

The term "Initial Rent Due Date" shall mean July 1, 1996.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" or "Premises" shall mean Tenant's Building outlined in red on Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Tenant Working Days" shall mean 365 days.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five (5) years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Planned Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime

Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "Tenant's Building" shall mean the building to be erected by Tenant at Tenant's sole cost.

The term "term of this Lease" or "term hereof shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date.

D) During the Lease Term, Landlord grants to Tenant and its employees, agents, customers and other invitees a non-exclusive easement for free parking and ingress and egress on and over the Entire Premises for Tenant, Tenant's employees, agents, contractors, customers and invitees. Tenant shall be responsible for all costs associated with the Entire Premises exclusive of any Landlord's Buildings that may be constructed thereon. The location of said easements may be changed at the sole discretion of the Landlord so long as such change does not interfere with Tenant's Permitted Use.

2.02 Term of Lease.

Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter and shall terminate on the last day of the calendar month during which the date which is twenty (20) years after the Commencement Date occurs. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default (meaning the breach of any obligation hereunder and failure to cure that breach within the time permitted in Section 14.01) at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple.

(B) Landlord shall give Tenant prior written notice before commencing any work upon the Entire Premises, and shall cause all work to be performed by Landlord to be conducted in such a manner that does not unreasonably interfere with Tenant's customers or its business operations. Tenant shall give Landlord prior written notice before commencing any work upon the Premises, and shall cause all work to be performed by Tenant to be conducted in such a manner that the same does not unreasonably interfere with the other tenant's customers or their business operations.

(C) "Exterior Common Facilities" shall consist of all driveways, parking areas, utilities and utility lines, service areas, including loading and unloading areas, landscape areas, if any, lighting facilities and equipment, and any and all other exterior facilities upon or below the Entire Premises designed for use by or benefit of the occupants of the Entire Premises.,

(D) Maintenance of Entire Premises At all times during the Term, Tenant shall keep and maintain the Exterior Common Facilities in the Entire Premises and Tenant's Building in good order and repair and in a clean and safe condition, reasonably free of debris. The lighting for the Exterior Common Facilities shall be turned on by Tenant on each day that business is conducted on the Premises at or about the same time that the municipality turns on street lights, and same shall be kept lighted for one (1) hour after all Tenants close for business. Tenant's obligation hereunder shall included maintaining the parking areas of the Entire Premises free of potholes and assuring that they are properly coated and sealed and striped as needed. Tenant shall make any and all additions to and all alterations and repairs in, on and about the Exterior Common Facilities, which may be required by, and shall otherwise observe and comply with, all public laws, ordinances and regulations from time to time applicable to the Exterior Common Facilities. Tenant shall indemnify and save harmless Landlord from and against all actions, claims and damages by reason of Tenant's failure to comply with and perform its obligations under this section.

(E) Tenant's Liens Tenant will not permit the Entire Premises to become subject to any mechanics', laborers' or materialmen's lien on account of labor or material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed on the Entire Premises by or at the direction or sufferance of Tenant; provided, however, Tenant shall have the right to contest in good faith and with reasonable diligence the validity of any such lien or claimed lien and on final determination of the lien or claim for the lien, Tenant will immediately pay any judgment rendered with all proper costs and charges, and will, at its own expense, have the lien released and any judgment satisfied.

ARTICLE III USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Planned Use no other purpose.

B) Landlord shall agree and consent to such utility and other easements encumbering the Premises or benefiting the Premises and encumbering the Fee Parcels and/or the Leasehold Parcel as Tenant may reasonably require for its use and occupancy of the Premises.

C) Landlord agrees that no use of the Entire Premises shall be permitted which is inconsistent with the operation of the Planned Use. Landlord further agrees not to permit or allow any portion of the Entire Premises to be used by any other tenant, subtenant, licensee, or occupant (including Landlord) for the exhibition of commercial movies or as a commercial movie theater complex.

ARTICLE IV RENT

4.01 Annual Fixed Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term Annual Fixed Rent in the amount of \$729,744.00. The Annual Fixed Rent shall be payable in advance in twelve (12) equal monthly installments. The Annual Fixed Rent shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 (B) below.

B) The Annual Fixed Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Annual Fixed Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for all Urban Consumers, Sacramento, Subgroup "All Items", (1982-84+100) (the Consumers Price Index"; provided however, in no event shall the Annual Fixed Rent be increased by an amount that is less than ten (10%) greater than the Annual Fixed Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index, shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent.

In addition to the payment of Annual Fixed Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Annual Fixed Rent which is payable for such Lease

Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate. For the purpose of computing the Annual Percentage for the first Lease Year, the Gross sales and the annual fixed rate percentage for the partial calendar month, if any, preceding the first Lease Year shall be includable in the Annual Fixed Rate and Gross Sales for the first Lease Year.

Gross Sales shall mean all box office receipts, and receipts from sales of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant and returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions". Commissions paid to agencies or other third parties for selling tickets and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due and payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V
TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Entire Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay when due all Impositions (exclusive of Landlord's Buildings, if any) assessed, levied or attributable to the Entire Premises and/or the Improvements on the Entire Premises (exclusive of Landlord's Buildings, if any).. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

C) Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against Landlord's Buildings, if any.

5.02 Exceptions from Impositions; Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the

taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.03 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.03. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.03.

5.04 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities consumed on the Entire Premises exclusive of Landlord's Buildings, if any. Any utility improvements presently serving the Entire Premises shall be maintained, repaired and replaced by Tenant, at Tenant's expense.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Entire Premises, Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations, footings and underground improvements) as well as any and all improvements on the Common Area and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) including Builder's Risk but excluding earthquake and flood to the extent of not less than 100% of the full replacement cost thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Upon written request, Tenant shall name Landlord and any parties requested by Landlord and the holder of the first mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Tenant in writing to disburse such insurance proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or proceeds received by the Tenant and/or Landlord shall be held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and Second, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVI hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Tenant and Landlord shall apply the proceeds of the insurance collected to the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Tenant and Landlord by the licensed architect or engineer in charge of the work. Any amounts payable to Tenant or any Affiliate of Tenant for work or services performed or materials provided as part of any such repair, replacement, restoration or rebuilding shall not exceed competitive rates for such services or materials and Tenant shall, upon request of Landlord, make available to Landlord and its representatives all books and records of Tenant relating to such work, services and materials. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Tenant or Landlord with respect to the damage or destruction involved, and not used, shall be and remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Tenant and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII
MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained, which approval shall not be unreasonably withheld.

B) Tenant shall at all times keep the Entire Premises, Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

C) Upon termination of this Lease, Tenant may, at its option, remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance.

A) Tenant shall, at its sole cost and expense, maintain and repair the Entire Premises and Tenant's Building and all improvements on the Entire Premises exclusive of Landlord's Buildings if any and including all exterior lighting and signs.

B) Tenant shall also be responsible for any losses or damages resulting to Landlord's Buildings, if any, from any materials, substances or liquids which are leaked or discharged from any area outside Landlord's Buildings, if any, unless such leakage or discharge is caused by Landlord or Landlord's agents or employees.

Tenant shall commence all of the repairs and maintenance within 3 days after receiving notice thereof from Landlord (provided that in the case of an emergency Tenant shall commence such work immediately upon receiving notice) and shall be diligently completed in a good and workmanlike manner. Notwithstanding the foregoing, Landlord shall have the right and option (but not the obligation) to undertake any such repair, maintenance or other items, in which event Tenant shall reimburse Landlord for all of the costs thereof within 30 days after Landlord's request therefor. If Tenant fails to reimburse Landlord within the 30 day period, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum until such payment has been made.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated biphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.02 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought

upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property

wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and

payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Landlord's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees,

beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof, or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate often percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant Improvements. Tenant at its sole cost and expense shall complete all the required on-site and off-site improvements, including all signs, required for the development of the Entire Premises. In addition Tenant shall construct a motion picture theater building on the Premises containing approximately sixty thousand (60,000) square feet with sixteen auditoriums. Landlord will provide Tenant with a site and building allowance of \$4,992,180.00. The site and building allowance will be paid by Landlord to Tenant the latter of July 1, 1996 or the date Tenant opens to the public for business.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of by Tenant of Tenant's Building or Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership of Improvements.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and

improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein excluding moveable trade fixtures and personal property of Tenant, shall become the property of Landlord, unless and to the extent Tenant elects to remove any of the foregoing pursuant to Section 9.04 (B).

B) Tenant shall have the right to remove all trade fixtures, equipment and furnishings, including seats, carpets, draperies, screen, sound reproducing equipment, projection equipment, furniture and lobby frames from the Premises without notice to Landlord and the foregoing shall remain the property of the Tenant at the expiration or earlier termination of the Lease. In addition, Tenant shall have the right if Tenant so elects by giving written notice to Landlord of such election at any time before ninety (90) days prior to the end of the Term (including any renewals or extensions) hereof to remove any other Improvements and all additions, alterations and improvements thereto or replacements thereof erected, constructed, or installed on the Premises. The removal of any of the foregoing shall be completed within thirty (30) days following the end of the Term hereof (including any renewals thereof or any earlier termination permitted by this Lease).

9.07 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X INDEMNITY

10.01 Landlord's Indemnity. Except to the extent attributable to the intentional and negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), directly or indirectly arising out of or attributable to (i) any intentional or negligent act or omission of Tenant, its agents, employees, licensees, invitees or contractors on the Leased Premises, occurring within the Leased Premises or (ii) arising from Tenant's or its employees use of the Leased Premises.

10.02 Tenant's Indemnity. Except to the extent attributable to the intentional and negligent acts or omissions of Tenant and its agents, employees, tenants, licensees and contractors, Landlord shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant (and its successors, assigns and subleetees), and all of their directors, officers, employees and agents, hereinafter referred to as "Tenant Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), directly or indirectly arising out of or attributable to (i) any intentional or negligent act or omission of Landlord, its agents, employees, licensees, invitees on the Entire Premises or contractors, occurring within the Entire Premises, or (ii) arising from Landlord's use of the Entire Premises.

ARTICLE XI
ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease. Landlord shall be entitled to all rent from any assignment or sublease in excess of the Annual Fixed Rent set forth in this Lease.

B) Any assignment of this Lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without Landlord's consent, assign this Lease (a) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenant's Parent Corporation), or (b) to Tenant's Parent Corporation, or (c) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, provided that such corporation duly and validly then guarantees the performance of the obligations under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord in writing of any assignment of the Lease ten (10) days prior to such event.

ARTICLE XII
MORTGAGE SUBORDINATION

12.01 Existing Mortgages. If there is an existing mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises or in any other part of the Entire Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

12.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises

in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIII
CONDEMNATION — EMINENT DOMAIN

13.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Entire Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

13.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

- A) Notice of Intended Taking;
- B) Service of any legal process relating to condemnation of the Premises or improvements;
- C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or
- D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

13.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

13.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

- A) To Landlord, the amount awarded, if any for the Fair Market Value of all Land, buildings and other improvements on the Entire Premises and all Severance Damages.
- B) To Tenant, the amount awarded, if any, for loss of goodwill, lost business, lost profits, relocation expenses and fixtures; and
- C) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 13.04 out of amounts awarded by the governmental body taking the Premises.

13.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises or the parking taken bears to the total area of the Premises or the parking.

13.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty-three percent (33%) of the Building or thirty-three (33%) of the parking is taken by condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice

of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

13.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses, fixtures and relocation expenses against the acquiring governmental Agency.

ARTICLE XIV
DEFAULT

14.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

- A) Failure to pay Annual Fixed Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;
- B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

14.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively, they are cumulative in addition to any remedies now or later allowed by law or equity:

- A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;
- B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a

receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 14.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 14.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 14.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 14.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 14.02(C), Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 14.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

14.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord. Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

14.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

14.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 14.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective,

Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party, which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. Arbitration shall be conducted under the Commercial Arbitration Rules of the American Arbitration Association.

14.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XV REPRESENTATIONS AND WARRANTIES

15.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

15.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a California corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

ARTICLE XVI
DAMAGE OR DESTRUCTION

16.01 Repairs. Alterations and Further Improvements.

A) Tenant's Obligation to Repair. In the event of damage to or destruction of the Tenant's Building or any Improvements on or to the Premises to be covered by the insurance described in Article 6:

(1) Damages of Less Than Fifty Percent (50%) of Replacement Cost. If the cost of repairing or reconstructing the Tenant's Building or Improvements to the condition and form prior to such damage or destruction is not in excess of Fifty percent (50%) of the then new replacement cost of the Improvements and such repairs or reconstruction of any such damage or destruction can be made under then existing laws, ordinances, statutes or regulations of any governmental authorities applicable thereto (or can be so made with minor and non-material changes to the former condition and form of property damaged or destroyed), Tenant shall effect, and Landlord and Tenant agree that the funds derived from insurance acquired pursuant to Article 6 shall be made available to effect, such repair and reconstruction of the structure or improvement so damaged or destroyed to substantially its condition prior to said damage or destruction with such alterations thereto as Tenant shall reasonably determine prudent or valuable under the circumstances, including any changes required to comply with applicable law, with the then prevailing construction practices applicable to the Premises. Tenant shall be responsible for all costs in excess of Insurance proceeds available All such work shall be carried on in accordance with Drawings prepared by a licensed architect or architects approved by Landlord (acting reasonably) if such an architect is reasonably required, given the scope and nature of the work. In disbursing insurance proceeds the Tenant and Landlord may rely upon and accept the certified determinations of such architect with respect to estimated costs, awarding of contracts, sufficiency of bonds, progress of construction, interpretation of plans and specifications, compliance with same, and completion of construction. No extras or changes in Drawings shall be made by Tenant without first giving written notice of such changes to Landlord and obtaining Landlord's approval thereof (which approval shall not be unreasonably withheld or delayed).

(2) Damage in Excess of Fifty Percent(50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of the Fifty percent (50%) provided in subparagraph (A)(1) of this Section 16.01, or if such cost is less than Fifty percent (50%), but such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto (and cannot be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), and, in any such event, the parties hereto are unable during a period of ninety (90) days after the determination by Tenant with respect to such damage or destruction to agree in writing on a construction program, then, at Tenant's sole option, the Term shall end as of the date of such damage or destruction, provided that Tenant notifies Landlord of its election to exercise such termination option within such ninety (90) day period. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), but the cost of so repairing or reconstructing such damage or destruction is in excess of the Fifty percent (50%) provided for in subparagraph (A)(1) of this Section 16.01, Tenant shall have the absolute right to treat such damage as under subparagraph (A)(1) of this Section 16.01 as if the damage or destruction met the description thereof set forth in the first sentence of that Section if Tenant (i) gives

notice to the effect to Landlord within such ninety (90) days period after Tenant's determination with respect to said damage or destruction; and (ii) promptly demonstrates to the reasonable satisfaction of any Leasehold Mortgagee (if any) that it can provide the funds required or that will be required under the provisions of subparagraph (A)(1) of this Section 16.01 to effect such repair or restoration, whereupon the provisions of said subparagraph (A) of this Section 16.01 shall be fully applicable to such damage or destruction.

16.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated or elects to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided and subject to the provisions of subparagraph (B) of Section 16.01), and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

16.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenable, Rent shall thereafter not abate but continue for as long as and to the extent such Improvements are untenable.

16.04 Damage During Last Two (2) Years of Term. If there occurs during the last ten (10) years of the Initial Term or at any time during a Renewal Period damage or destruction to any Improvement on or in the Premises and the costs of repairing, restoring, replacing or rebuilding the same exceed Five Thousand Dollars (\$500,000), then Tenant may elect to terminate the Term and, in such event, Tenant shall give notice to Landlord of its election within sixty (60) days after its determination of the amount of damage, and the Term shall thereupon terminate as of the date of such notice.

ARTICLE XVII MISCELLANEOUS

17.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Entire Premises and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Entire Premises.

17.02 Brokers. Landlord and Tenant each represent to the other that neither has any obligation to any broker or finder in connection with this transaction, and that no fee or commission is due any broker, finder, or similar person in connection herewith. Landlord and Tenant each indemnifies the

other and agrees to hold the other harmless from and against any and all claims, demands, liabilities, lawsuits, costs, and expenses (including reasonable attorneys' fees) for any fee or commission due to any other broker, finder, or similar person in connection with this transaction and arising out of the act of the indemnifying party.

17.03 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

17.04 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

17.05 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

17.06 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

17.07 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

17.08 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

17.09 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

17.10 Notices to Landlord and Tenant

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 17.11 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's

Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 17.11 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent.

17.11 Addresses for Notices to Landlord and Tenant.

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord:	Syufy Enterprises 150 Golden Gate Ave. San Francisco, CA 94102
To Tenant:	Century Theatres of California, Inc. 150 Golden Gate Avenue San Francisco, CA 94102 Attention: Real Estate Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

17.12 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

17.13 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

17.14 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

17.15 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

17.16 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party

failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

17.17 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

17.18 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

17.19 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

17.20 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

17.21 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

17.22 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

17.23 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California corporation

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: Senior Exec. VP

LANDLORD:

SYUFY ENTERPRISES, a
California Limited Partnership

By: /s/ Raymond W. Syufy
Print Name: Raymond W. Syufy
Title: President

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated December 1, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located in Elk Grove, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to "Sacramento" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter

Elk Grove, CA

imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Surrender

After the first sentence of Section 14.02(E), the following sentence is hereby inserted:

Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

Elk Grove, CA

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy
Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy
Joseph Syufy
President

[STAMP]

Elk Grove, CA

FOURTH AMENDMENT TO LEASE

(Laguna)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Landlord (then known as Syufy Enterprises, a California limited partnership ("Original Landlord")) and Century Theatres of California, Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of December 1, 1995 (the "Original Lease"), for certain premises located in Laguna, Elk Grove, California.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment") and (iii) Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"); the Original Lease as heretofore amended is referred to herein as the "Lease".

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise an validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Sacramento typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on the determination date.

6. **Damage and Destruction — Repairs by Tenant.** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) **Tenant's Obligation to Repair.** If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section, except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) **Damage in Excess of 20%.** If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in subsection (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. **Permitted Assignments and Release.** Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall

not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, its is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

“Gross Sales” shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from “Gross Sales” (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant’s actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called “four-wall deals” with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such “four-wall deals” shall be included in “Gross Sales” under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from “Gross Sales” (if and to the extent previously included in “Gross Sales”).

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a “Reassessment”) for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term “Tax Increase” shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
- (ii) Attributable to the annual inflationary increases in real estate taxes; or
- (iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial in Tenant's use of the Leased Premises as a motion picture theatre complex, including (without limitation) the conversion to stadium seating of the auditoria (if any) in the Leased Premises. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Any alterations, improvements or changes by Tenant must be consistent with the use and operation of the Leased Premises as a motion picture theatre complex. Tenant shall be required to complete all alterations, improvements and changes undertaken by Tenant. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

13. **Rooftop Equipment and Access.** Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

14. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (i) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.
- (ii) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.
- (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end

wine or liquor store such as “BevMo”); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.

- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.
- (v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

15. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class motion picture theatre complex (whether operated as a so-called “first-run” theatre, a “second-run” theatre, and/or an “art house” theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called “adult” theater complex.

16. **No Obligation To Continuously Operate.** Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

17. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant’s default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant’s sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord’s sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

18. 12% Rent Conversion and Early Termination.

(a) As of the Effective Date hereof, the parties have been made aware of the possibility that a new motion picture theatre complex may be developed and operated in the [Proposed GGP Elk Grove Promenade project] located in South Sacramento, California (the "Nearby Theatre").

(b) If the Nearby Theatre opens for business and thereafter during any consecutive twelve (12) calendar month period (the "First Test Period"), the Theatre Level Cash Flow ("TLCF"), as defined in Exhibit "A-3" hereto, for the Leased Premises over such First Test Period is less than zero, then upon notice from Tenant to Landlord at any time when the TLCF over the most current trailing twelve (12) month period was negative or within forty-five (45) days after such Test Period, the 12% Rent Conversion (defined below) will become effective; provided, however, that such notice and Tenant's right pursuant to the 12% Rent Conversion as provided in this subparagraph (b) shall be void and ineffective unless Tenant shall have satisfied the Operating Condition (defined in Section 3 above) throughout the First Test Period. In order to be effective, Tenant's notice to Landlord under this subparagraph (b) shall include a written certification to Landlord from Tenant's chief financial officer or controller confirming that the TLCF for the First Test Period is less than zero. Provided Tenant has satisfied the aforesaid conditions, then effective as of the first day of the first calendar month following Landlord's receipt of Tenant's notice as provided above and thereafter so long as Tenant continues to satisfy the Operating Condition, in lieu of Base Rent and Percentage Rent otherwise due under the Lease (but not in lieu of Tenant's share of Impositions or any other amounts payable by Tenant under the Lease, which will continue to be due and payable by Tenant as provided in the Lease) Tenant shall pay to Landlord on a monthly basis an amount equal to twelve percent (12%) of Tenant's Gross Sales, as defined in Section 10 above (the "12% Rent Conversion"). Such amount shall be paid by Tenant monthly in arrears on or before the thirtieth (30th) day after the end of each calendar month. Within sixty (60) days after the end of each fiscal year, Tenant shall provide a written certification of Tenant's Gross Sales for the applicable period, executed by the chief financial officer or controller of Tenant, which shall be subject to the same year-end reporting and reconciliation procedures and the verification and audit rights of Landlord that apply to Percentage Rent under this Lease.

(c) (i) If the 12% Rent Conversion occurs and thereafter during any consecutive twelve (12) calendar month period (the "Second Test Period"), the TLCF for the Leased Premises is less than zero, then Tenant shall have the right to be exercised by written notice to Landlord at any time when the TLCF over the most current trailing twelve (12) month period was negative or within forty-five (45) days after such Second Test Period, to terminate the Lease as provided below in this subparagraph (c); provided, however, that such notice and Tenant's right to terminate the Lease as provided in this subparagraph (c) shall be void and ineffective unless Tenant shall have satisfied the Operating Condition (defined above) continuously throughout the Second Test Period. In order to be effective, Tenant's notice to Landlord under this subparagraph (c) shall include a written certification to Landlord from Tenant's chief financial officer or controller that the TLCF for the Second Test Period is less than zero. Provided Tenant has satisfied the aforesaid conditions, then this Lease shall be terminated effective as of the date which is thirty (30) days after the expiration of the termination notice.

(ii) If the 12% Rent Conversion occurs, and if at anytime thereafter, Tenant reasonably determines that it is necessary or appropriate to undertake in any prospective 12-month period (the "Cap Ex Test Period"), aggregate capital expenditures (i.e., expenditures required to be capitalized rather than expensed under Tenant's normal income tax accounting procedures) for any repairs and maintenance to the Leased Premises in excess of Fifty Thousand Dollars (\$50,000) which Tenant is otherwise unwilling to make, then, Tenant shall have the right and option to terminate the Lease upon thirty (30) days prior written notice to Landlord, subject to the following terms and conditions: (A) Tenant's notice of termination shall specify in reasonable detail the applicable capital expenditures (the "Cap Ex Projects"), the projected commencement date of each Cap Ex Project and the estimated costs thereof (the "Projected Cap Ex Costs"), prior to incurring same and prior to the commencement of the Cap Ex Test Period; (B) Landlord shall have the ability (but not the obligation) to nullify Tenant's exercise of the termination option set forth in this subclause (ii) by delivering written notice to Tenant within ten (10) business days after the date of its receipt of Tenant's termination notice stating either that (1) Landlord shall reimburse Tenant for the amount by which the actual cost incurred by Tenant (within 30 days of receipt of reasonable documentation of such expense) during the Cap Ex Test Period for the identified Cap Ex Projects (but not more than the Projected Cap Ex Costs) \$50,000, or (2) Landlord waives its right to terminate this Lease pursuant to Section 18(d) below during the applicable Cap Ex Test Period; (C) if Landlord so nullifies Tenant's purported termination, then Tenant shall be required to undertake the Cap Ex Projects not later than thirty (30) days after the applicable dates specified in Tenant's notice of termination and thereafter to diligently prosecute the Cap Ex Projects to completion, at Tenant's sole cost and expense (subject to reimbursement from Landlord as provided above, if applicable); and (D) if Tenant fails to undertake and complete the identified Cap Ex Projects as aforesaid, then (x) such failure shall constitute a default by Tenant under the Lease, and (y) Landlord's termination rights under Section 18(d) below will be immediately reinstated (notwithstanding the waiver pursuant to clause (2) above, if applicable).

Notwithstanding anything to the contrary set forth in the Lease, including Section 16 above, if Tenant elects to terminate this Lease pursuant to this Section 17 and Landlord demolishes the theatre building of the Leased Premise within twelve (12) months after the date of termination, then Tenant shall reimburse Landlord for the actual out-of-pocket costs incurred by Landlord to demolish the theatre building (including, without limitation, the costs to remove from the Leased Premises all building materials and debris and all footings, foundations, utility lines and other underground installations that serve the Leased Premises and the costs to restore the surface of the Premises to a graded and landscaped surface); provided, however, that Tenant's reimbursement obligations shall not exceed an amount equal to the product of \$7.50 psf multiplied by the ground floor area of the theatre building (in square feet). Tenant shall pay the amount due under this paragraph within thirty (30) days after receiving Landlord's written demand for reimbursement, which shall include reasonable supporting documentation confirming the costs so incurred by Landlord. Tenant's obligations under this paragraph shall expressly survive the termination of the Lease.

(d) If the 12% Rent Conversion occurs, then Landlord shall have the right at anytime thereafter to terminate this Lease upon not less than thirty (30) days' prior written notice to Tenant.

19. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

20. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

21. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication (“notice”) which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant’s Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord’s mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: President
with a copy to:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: General Counsel
and a copy to:	DLA Piper 203 North LaSalle Suite 1900 Chicago, IL 60601 Attention: David Sickle, Esq.

To Tenant:

Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

22. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

23. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. Paragraph B concerning Surrender in the Second Amendment is hereby deleted in its entirety and of no further force and effect. The Third Amendment is hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall supersede such Third Amendment in its entirety.

24. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy
Name: _____
Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufy
Name: _____
Title: _____

EXHIBIT "A-3"

Definition of Theatre Level Cash Flow

"**Theatre Level Cash Flow**" shall mean all revenues attributable to the Leased Premises over the applicable measurement period, less expenses clearly attributable to the Leased Premises over the same period as reflected on the applicable individual theatre level cash flow statement calculated by the company using consistent methods and policies as that utilized by the company in determining the theatre cash flow on substantially all of its other individual theatre properties.

Revenues shall include box office receipts (less applicable admission tax), concession receipts (less applicable sales tax), game revenues (less applicable sales tax), pay phone revenue, studio and other rental income, ATM revenue, revenue from tickets redeemed at the theatre from internet or other off-site ticketing (but not related fees charged for such service or revenue from unredeemed tickets), and any other revenues attributable to the operations of the theatre.

Expenses shall include all costs necessary to operate the theatre and theatre, including but not limited to film rental, snack bar cost of sales (net of all applicable rebates from vendors), payroll expenses attributable to employees working at the theatre, advertising costs, security expenses, janitorial expenses, maintenance (excluding capitalized expenses), repairs (excluding capitalized expenses), supplies, utilities, telephone expenses, freight, bank and credit card expense, business tax and licenses, cash shortages, base rent, percentage rent, common area maintenance, property taxes, and insurance.

Expenses specifically excluded include charges for off-site administration costs, income taxes, interest, and depreciation & amortization.

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Buildings, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Entire Premises.

EXHIBIT B — a site plan of the Entire Premises including the Leased Premises which is outlined in red..

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Entire Premises" shall mean the Land including Buildings, the Leased Premises, parking, driveways and such other improvements as may presently exist or be added.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the Leased Premises.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves and retains the right to develop the unimproved portion of the Entire Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

C) Tenant is granted a non-exclusive easement for parking and ingress and egress on and over the Leased Premises. The location of said easements may be changed at the sole discretion of the Landlord so long as such change does not interfere with Tenant's Permitted Use.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$125,000.000 The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco- Oakland-San Jose Average, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent. Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Entire Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any other items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Entire Premises and/or the Improvements on the Entire Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which are assessed on any Buildings exclusive of the Entire Premises, Tenant shall pay all such impositions. With respect to impositions which by law may be paid in installments over a period of time, Tenant shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Tenant has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Landlord's Buildings subject to the Installment Election, Landlord's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Tenant had in fact made the Installment Election. Landlord shall pay all such real property taxes to the Tenant prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Landlord shall pay Tenant in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Exceptions from Impositions; Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Entire Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Entire Premises were the only property of Landlord subject to such taxes, or the income from operation of the Entire Premises were Landlord's only income, as the case may be. In the event of such assessment, Landlord would pay Tenant any such assessment related to any Buildings other than the Leased Premises located on the Entire Premises.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.04. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.04.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Entire Premises including the Common Area but exclusive of Landlord's buildings.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI

INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Entire Premises (exclusive of the interior of Landlord's Buildings), Leased Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Ten Million Dollars (\$10,000,000) per occurrence and in the aggregate.

B) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations, footings and underground improvements) and personal property as well as all Improvements on the Common area, (Landlord's Buildings excluded), including, but not limited to, signs, outdoor lighting fixtures and fences insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after thirty (30) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article XIV, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof, and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article,

irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Entire Premises which shall include the Common Area, driveways, parking, landscaping, signs, fences, lighting and any and all improvements (exclusive of Landlord's Buildings) in first class condition and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Entire Premises (exclusive of Landlord's Buildings) shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation

and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated biphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.02 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to

commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not, without prior advance notice to Tenant, cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof,

or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not Limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. All such signs shall be maintained at Tenant's sole expense.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as

"Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operates motion picture theatres and has a book net worth of not less than \$30,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII

MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV

CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

- A) Notice of Intended Taking;
- B) Service of any legal process relating to condemnation of the Premises or improvements;
- C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or
- D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

- A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;
- B) To Landlord, the amount awarded, if any, for severance damages
- C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);
- D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;
- E) To Landlord, any other award which will not reduce the amount which otherwise would be awarded to Tenant; and
- F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt

of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to § 1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of

Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

- A) Tenant is a California corporation in good standing.
- B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.
- C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises or the improvements to the Common Area are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises or the Common Area improvements unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises or the Common Area improvements to the extent then allowed by Law, to substantially the same condition in which the Leased Premises or the Common Area Improvements were immediately prior to such damage.

(B) Damage in Excess of Fifty Percent (50%) If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other properly as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenantable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa, "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.10 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.10 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent.

18.10 Addresses for Notices to Landlord and Tenant

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn: Real Estate Department

To Tenant: Century Theatres of California, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California Corporation

By: /s/ Joseph Syufy

Print Name: Joseph Syufy

Title: V.P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy

Print Name: Raymond W. Syufy

Title: G.P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located on Hillcap Avenue in San Jose, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to the "San Francisco-Oakland-San Jose Average" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter

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imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01 (C) to "\$30,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01 (B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

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Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy

Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy

Joseph Syufy
President

(STAMP)
Capitol 16 San Jose

Second Amendment to Lease

This Second Amendment to Lease (this "**Amendment**") dated April 15, 2005 is executed by and between Syufy Enterprises, L.P., a California limited partnership ("**Landlord**") and Century Theatres, Inc., a California corporation ("**Tenant**").

Witnesseth:

Whereas, Landlord and Century Theatres of California, Inc., a California corporation, entered into a lease dated September 30, 1995, as amended by that certain First Amendment to Lease, dated September 1, 2000 between Landlord and Century Theatres, Inc., a Delaware corporation (as amended, the "**Lease**"), for a motion picture building and related parking (the "**Premises**") located at Century Capitol, 3690 Hillcap Avenue, San Jose, California; capitalized terms used but not defined herein shall have the meanings set forth in the Lease; and

Whereas, Century Theatres, Inc., a Delaware corporation ("**Century Theatres (DE)**"), succeeded Century Theatres of California, Inc., as Tenant; and

Whereas, Century Theatres (DE) assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

Whereas, Century Theatres, Inc., a California corporation, has succeeded Century Theatres (DE) as Tenant; and

Whereas, Century Theatres, Inc., a California corporation, has assumed all obligations of Century Theatres (DE), as set forth in the Lease; and

Whereas, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

Now, Therefore, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Deletion of Renewal Option

The "Option to Extend Lease Term" set forth in Section 2.03 of the Lease is hereby deleted in its entirety and replaced with the following:

2.03 Option to Extend Lease Term

- A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for one (1) additional period of two (2) years (the "**Renewal Term**"), subject to all the provisions of this Lease. The Renewal Term shall commence at the expiration of the Initial Term, and shall terminate on the second (2nd) anniversary of the date of commencement of the Renewal Term, unless sooner terminated as provided herein.

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- B) Failure to duly exercise the option for the Renewal Term shall nullify the option.
- C) Tenant's right to the option to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:
 - (1) This Lease being in full force and effect on the last day of the Initial Term.
 - (2) Compliance with the following procedure for exercising the option:
 - (a) At least nine (9) months before the last day of the Initial Term, Tenant shall give Landlord written notice exercising the option.
 - (b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option has been exercised. If the option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.
 - (3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the Renewal Term.

B. Landlord's Right to Develop

- 1. The second sentence of Section 2.01 (a) of the Lease is hereby deleted in its entirety and replaced with the following:

Tenant expressly agrees that Landlord shall have the right, but shall have no obligation, to demolish, renovate, remodel, reconstruct or otherwise alter or develop in any manner the Entire Premises or any portion thereof for any and all uses beyond the Permitted Use (the "**Development**") without Tenant's consent; provided, however, that the Development shall not materially interfere with the Permitted Use or Tenant's access to the Premises. In addition to developing some or all of the Entire Premises that are outside of the Building, Landlord's Development rights set forth above shall include all roof-top and other exterior communication and advertising rights on or about the Entire Premises, including, without limitation, the exclusive right to install, locate, maintain, use, replace and repair satellite dishes and other roof-top communications equipment on the roof of the Building. In connection with the foregoing, Tenant agrees that Tenant shall have no right to lease or otherwise allow any third party to access or use the roof of the Building or any portion of the Premises for any use other than the Permitted Use.

- 2. Tenant hereby waives all claims of any nature whatsoever Tenant may now have or may hereafter have against Landlord relating in any manner to, directly or indirectly, the Development. Without limiting the generality of the foregoing, Landlord shall not be liable for

any damage to persons or property located in, on or about the Premises resulting from or in connection with the Development, and Tenant waives and shall defend, indemnify and hold harmless Landlord from any and all claims asserted by Tenant or Tenant's officers, agents, employees, contractors, licensees, invitees or guests arising from damage resulting from or in connection with the Development (except to the extent such damage is caused by the willful act or gross negligence of Landlord; provided, however, that Landlord shall not be liable for any consequential damages, including, without limitation, any claim for loss of profit or business).

C. Surrender

Notwithstanding anything to the contrary in the Lease, upon the expiration or earlier termination of the Lease and promptly following Tenant's receipt of a cost estimate thereof from Landlord, Tenant shall pay to Landlord an amount equal to the cost of demolishing the improvements located on the Premises and removing all surface debris therefrom to Landlord's reasonable satisfaction, as such cost estimate is determined by Landlord in Landlord's sole and absolute discretion; provided, however, that Tenant may remove any or all of Tenant's furniture, fixtures and equipment (the "FF&E") from the Premises, so long as such removal occurs within forty-five (45) days after the Termination Date and Tenant repairs all extraordinary damage caused by such removal. Except as set forth above, from and after the Termination Date, the parties shall have no further rights under the Lease nor further obligations with respect to the Premises, except for any rights or obligations which expressly survive the termination of the Lease in accordance with the provisions thereof or at law.

D. Miscellaneous

1. This Amendment constitutes the entire understanding of the parties with respect to the subject matter hereof and all prior agreements, representations, and understandings between the parties, whether oral or written, are deemed null, all of the foregoing having been merged into this Amendment.
2. This Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease shall remain in full force and effect.
3. This Amendment shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives and successors and assigns.
4. Each party hereby specifically represents and warrants that its execution of this Amendment has been duly authorized by all necessary corporate or other action, and that this Amendment when fully signed and delivered shall constitute a binding agreement of such party, enforceable in accordance with its terms.
5. The parties acknowledge that each party and/or its counsel have reviewed and revised this Amendment and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Amendment or any amendments or exhibits to this Amendment or any document executed and delivered by either party in connection with this Amendment.

6. This Amendment may be executed in counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

[Signatures on following page]

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In Witness Whereof, Landlord and Tenant have executed this Amendment to be effective as of the date first written above.

**Syfy Enterprises, L.P.,
a California limited partnership “Landlord”**

/s/ Raymond Syufy
Raymond Syufy,
Chief Executive Officer

**Century Theatres, Inc.,
a California corporation “Tenant”**

/s/ Joseph Syufy
Joseph Syufy,
Chief Executive Officer

Capitol 16 — San Jose, California

FOURTH AMENDMENT TO LEASE

(Capitol City, SJ)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

RECITALS:

A. Landlord (then known as Syufy Enterprises (the "Original Landlord") and Century Theatres of California Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in San Jose, California.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"), and (iii) Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"); the Original Lease as heretofore amended is referred to herein as the "Lease".

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms**. The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness**. The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options**. Notwithstanding anything to the contrary in the Lease, the current Term of the Lease shall expire on the date that is twelve (12) months

after the Effective Date hereof. Thereafter, the Term of this Lease shall automatically renew on a year-to-year basis unless Tenant delivers written notice to Landlord at least sixty (60) days prior to the then-current expiration date of the Term that Tenant elects not to extend the Term of the Lease.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Santa Clara typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty); provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. **Damage and Destruction — Repairs by Tenant.** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) Tenant's Obligation to Repair. If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section, except as provided in subsection (B) below. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) If the Leased Premises are damaged or destroyed by fire or other casualty which occurs after the Effective Date hereof, and if the uninsured cost to repair such damage or to restore the Leased Premises (including deductibles) exceeds \$50,000, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises (provided, however, that Landlord may nullify Tenant's election not to undertake the repairs and restoration, within thirty (30) days after receiving Tenant's notice by confirming either (x) that Landlord shall reimburse Tenant for such excess costs within 30 days after the completion of the repairs and restoration and Landlord's receipt of reasonable supporting documentation of such costs or (y) that Landlord waives its right to terminate this Lease pursuant to Section 18 prior to the date which is 12 months after the repairs and restoration are completed), and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, and (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

No assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **[Intentionally Omitted]**

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

"Gross Sales" shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from "Gross Sales" (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant's actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called "four-wall deals" with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such "four-wall deals" shall be included in "Gross Sales" under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and

other similar devices shall be deducted from "Gross Sales" (if and to the extent previously included in "Gross Sales").

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a "Reassessment") for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term "Tax Increase" shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
- (ii) Attributable to the annual inflationary increases in real estate taxes; or
- (iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant's exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

13. **Rooftop Equipment and Access.** Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder. Notwithstanding the foregoing, Tenant's exclusive rights are subject to any agreements entered into after the Effective Date by Landlord and a licensee or lessee regarding Rooftop Equipment provided that such Rooftop Equipment does not interfere with Tenant's Rooftop Equipment installed pursuant to this Section.

14. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as a first-class motion picture theatre complex (whether operated as a so-called "first run" theater and/or an "art house" theatre. In no event shall Tenant be permitted to operate the Leased Premises as a so-called "second-run" or "adult" theater complex.

15. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said

expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine

16. **Alternate Rent.** As of the Effective Date and if and for so long as Tenant continues to satisfy the Operating Condition (defined in Section 4 above), then in lieu of Base Rent and Percentage Rent otherwise due under the Lease (but not in lieu of Tenant's share of real estate taxes or any other amounts payable by Tenant under the Lease, which will continue to be due and payable by Tenant as provided in the Lease), Tenant shall pay to Landlord on a monthly basis an amount equal to twelve percent (12%) of Tenant's Gross Sales, as defined hereinabove. Such amount shall be paid by Tenant monthly in arrears on or before the thirtieth (30th) day after the end of each calendar month. Within sixty (60) days after the end of each fiscal year, Tenant shall provide a written certification of Tenant's Gross Sales for the prior year, executed by the chief financial officer or controller of Tenant, which shall be subject to the same year-end reporting and reconciliation procedures and the verification and audit rights of Landlord that apply to Percentage Rent under this Lease.

17. **Early Termination — Tenant.** (i) If, during any consecutive twelve (12) calendar month period after the Effective Date (the "Test Period"), the TLCF (defined on Exhibit "A-2" hereto) for the Leased Premises is less than zero, then Tenant shall have the right, to be exercised by written notice to Landlord at any time when the TLCF over the most current trailing twelve (12) month period was negative or within forty-five (45) days after such Test Period, to terminate the Lease as provided below in this Section; provided, however, that such notice and Tenant's right to terminate the Lease as provided in this Section shall be void and ineffective unless Tenant shall have satisfied the Operating Condition (defined in Section 4 above) continuously throughout the Test Period. In order to be effective, Tenant's notice to Landlord under this Section shall include a written certification to Landlord from Tenant's chief financial officer or controller confirming that the TLCF for the Test Period is less than zero. Provided Tenant has satisfied the aforesaid conditions, then this Lease shall be terminated effective as of the date which is thirty (30) days after the termination notice.

(ii) If, at anytime during which Tenant is paying Alternate Rent, Tenant reasonably determines that it is necessary or appropriate to undertake in any prospective 12-month period (the "Cap Ex Test Period"), aggregate capital expenditures (i.e., expenditures required to be capitalized rather than expensed under Tenant's normal income tax accounting procedures) for any repairs and maintenance to the Leased Premises in excess of Fifty Thousand Dollars (\$50,000) which Tenant is otherwise unwilling to make, then, Tenant shall have the right and option to terminate the Lease upon thirty (30) days prior written notice to Landlord, subject

to the following terms and conditions: (A) Tenant's notice of termination shall specify in reasonable detail the applicable capital expenditures (the "Cap Ex Projects"), the projected commencement date of each Cap Ex Project and the estimated costs thereof (the "Projected Cap Ex Costs"), prior to incurring same and prior to the commencement of the Cap Ex Test Period; (B) Landlord shall have the ability (but not the obligation) to nullify Tenant's exercise of the termination option set forth in this subclause (ii) by delivering written notice to Tenant within ten (10) business days after the date of its receipt of Tenant's termination notice stating either that (1) Landlord shall reimburse Tenant for the amount by which the actual cost incurred by Tenant (within 30 days of receipt of reasonable documentation of such expense) during the Cap Ex Test Period for the identified Cap Ex Projects (but not more than the Projected Cap Ex Costs) exceed \$50,000.00, or (2) Landlord waives its right to terminate this Lease pursuant to Section 18 below during the applicable Cap Ex Test Period; (C) if Landlord so nullifies Tenant's purported termination, then Tenant shall be required to undertake the Cap Ex Projects not later than thirty (30) days after the applicable dates specified in Tenant's notice of termination and thereafter to diligently prosecute the Cap Ex Projects to completion, at Tenant's sole cost and expense (subject to reimbursement from Landlord as provided above, if applicable); and (D) if Tenant fails to undertake and complete the identified Cap Ex Projects as aforesaid, then (x) such failure shall constitute a default by Tenant under the Lease, and (y) Landlord's termination rights under Section 18 below will be immediately reinstated (notwithstanding the waiver pursuant to clause (2) above, if applicable).

Notwithstanding anything to the contrary set forth in the Lease, including Section 15 above, if Tenant elects to terminate this Lease pursuant to this Section and Landlord demolishes the theatre building of the Leased Premise within twelve (12) months after the date of termination, then Tenant shall reimburse Landlord for the actual out-of-pocket costs incurred by Landlord to demolish the theatre building (including, without limitation, the costs to remove from the Leased Premises all building materials and debris and all footings, foundations, utility lines and other underground installations that serve the Leased Premises and the costs to restore the surface of the Premises to a graded and landscaped surface); provided, however, that Tenant's reimbursement obligations shall not exceed an amount equal to the product of \$7.50 psf multiplied by the ground floor area of the theatre building (in square feet). Tenant shall pay the amount due under this paragraph within thirty (30) days after receiving Landlord's written demand for reimbursement, which shall include reasonable supporting documentation confirming the costs so incurred by Landlord. Tenant's obligations under this paragraph shall expressly survive the termination of the Lease.

18. **Early Termination — Landlord.** Landlord shall have the right, at anytime after the Effective Date of this Amendment, to terminate this Lease upon not less than thirty (30) days' prior written notice to Tenant.

19. **Restrictive Covenant.** Landlord covenants and agrees that upon the termination of the Lease for any reason other than the default of the Tenant, no portion of the Entire Premises including the Leased Premises shall be used as a motion picture theater complex for a period of ten (10) years from the date of termination. The terms and provisions of this Section shall survive the termination of the Lease except that the foregoing restrictive covenant shall not apply if the Lease is terminated as a consequence of a default by Tenant. Such restrictive covenant shall run with the land. Landlord agrees to execute within thirty (30) days after the request by

Tenant a restrictive covenant in form appropriate for recording containing the restrictions contained herein. Tenant shall be responsible for the cost of all such recording fees.

20. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

21. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its

obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and

(5) for any other sums due.”

22. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication (“notice”) which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant’s Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord’s mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: President

with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

23. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

24. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall replace and restate such Second Amendment and Third Amendment in their entirety.

25. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy

Name:

Title:

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufy

Name:

Title:

EXHIBIT "A-3"

Definition of Theatre Level Cash Flow

"**Theatre Level Cash Flow**" shall mean all revenues attributable to the Leased Premises over the applicable measurement period, less expenses clearly attributable to the Leased Premises over the same period as reflected on the applicable individual theatre level cash flow statement calculated by the company using consistent methods and policies as that utilized by the company in determining the theatre cash flow on substantially all of its other individual theatre properties.

Revenues shall include box office receipts (less applicable admission tax), concession receipts (less applicable sales tax), game revenues (less applicable sales tax), pay phone revenue, studio and other rental income, ATM revenue, revenue from tickets redeemed at the theatre from internet or other off-site ticketing (but not related fees charged for such service or revenue from unredeemed tickets), and any other revenues attributable to the operations of the theatre.

Expenses shall include all costs necessary to operate the theatre and theatre, including but not limited to film rental, snack bar cost of sales (net of all applicable rebates from vendors), payroll expenses attributable to employees working at the theatre, advertising costs, security expenses, janitorial expenses, maintenance (excluding capitalized expenses), repairs (excluding capitalized expenses), supplies, utilities, telephone expenses, freight, bank and credit card expense, business tax and licenses, cash shortages, base rent, percentage rent, common area maintenance, property taxes, and insurance.

Expenses specifically excluded include charges for off-site administration costs, income taxes, interest, and depreciation & amortization.

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Buildings, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Entire Premises.

EXHIBIT B — a site plan of the Entire Premises including the Leased Premises which is outlined in red.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Entire Premises" shall mean the Land including Buildings, the Leased Premises, parking, driveways and such other improvements as may presently exist or be added.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the Leased Premises.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves and retains the right to develop the unimproved portion of the Entire Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

C) Tenant is granted a non-exclusive easement for parking and ingress and egress on and over the Entire Premises. The location of said easements may be changed at the sole discretion of the Landlord so long as such change does not interfere with Tenant's Permitted Use. Tenant shall be responsible for all costs related to the Entire Premises other than Landlord's Building as set forth in the site plan attached.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$79,166.67 The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the fifth (5th) Lease Year and on the first day of each sixth (6th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco- Oakland-San Jose Average, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Entire Premises, or the rents receivable there from, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any other items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Entire Premises and/or the Improvements on the Entire Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which are assessed on any Buildings exclusive of the Leased Premises, Landlord shall pay Tenant all such impositions. With respect to Impositions which by law may be paid in installments over a period of time, Tenant shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Tenant has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Landlord's Buildings subject to the Installment Election, Landlord's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Tenant had in fact made the Installment Election. Landlord shall pay all such real property taxes to the Tenant prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Landlord shall pay Tenant in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Exceptions from Impositions; Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Entire Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Entire Premises were the only property of Landlord subject to such taxes, or the income from operation of the Entire Premises were Landlord's only income, as the case may be. In the event of such assessment, Landlord would pay Tenant any such assessment related to any Buildings other than the Leased Premises located on the Entire Premises.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.04. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.04.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Entire Premises including the Common Area but exclusive of Landlord's buildings.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI

INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Entire Premises (exclusive of the interior of Landlord's Buildings), Leased Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Ten Million Dollars (\$10,000,000) per occurrence and in the aggregate.

B) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations, footings and underground improvements) and personal property as well as all Improvements on the Common area, (Landlord's Buildings excluded), including, but not limited to, signs, outdoor lighting fixtures and fences insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

- A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.
- B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after thirty (30) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.
- C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.
- D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article XIV, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article,

irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Entire Premises which shall include the Common Area, driveways, parking, landscaping, signs, fences, lighting and any and all improvements (exclusive of Landlord's Buildings) in first class condition and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Entire Premises (exclusive of Landlord's Buildings) shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation

and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated biphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.02 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible there for should fail to

commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not, without prior advance notice to Tenant, cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof,

or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. All such signs shall be maintained at Tenant's sole expense.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as

"Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operates motion picture theatres and has a book net worth of not less than \$30,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII

MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV

CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

- A) Notice of Intended Taking;
- B) Service of any legal process relating to condemnation of the Premises or improvements;
- C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or
- D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

- A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;
- B) To Landlord, the amount awarded, if any, for severance damages
- C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);
- D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;
- E) To Landlord, any other award which will not reduce the amount which otherwise would be awarded to Tenant; and
- F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt

of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of

Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

- A) Tenant is a California corporation in good standing.
- B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.
- C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises or the improvements to the Common Area are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises or the Common Area improvements unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises or the Common Area improvements to the extent then allowed by Law, to substantially the same condition in which the Leased Premises or the Common Area Improvements were immediately prior to such damage..

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenantable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.10 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.10 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent.

18.10 Addresses for Notices to Landlord and Tenant.

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord:	Syufy Enterprises 150 Golden Gate Ave. San Francisco, CA 94102 Attn: Real Estate Department
To Tenant:	Century Theatres of California, Inc. 150 Golden Gate Avenue San Francisco, CA 94102 Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California Corporation

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: V.P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy
Print Name: Raymond W. Syufy
Title: G. P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located on North Capital Avenue in San Jose, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to the "San Francisco-Oakland-San Jose Average" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01 (B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city

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admission taxes, sales and use taxes, and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$30,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

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Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P
“Landlord”

/s/ Raymond W. Syufy

Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy

Joseph Syufy
President

(STAMP)

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FOURTH AMENDMENT TO LEASE

(Berryessa)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Landlord (then known as Syufy Enterprises, a California Limited Partnership) and Century Theatres of California Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in San Jose, California.

B. The Original Lease has been previously amended by (i) that certain First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) that certain Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"), and (iii) that certain Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease, the current Term of the Lease shall expire on the date that is twelve (12)

months after the Effective Date hereof. Thereafter, the Term of this Lease shall automatically renew on a year-to-year basis unless Tenant delivers written notice to Landlord at least sixty (60) days prior to the then-current expiration date of the Term that Tenant elects not to extend the Term of the Lease.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Santa Clara typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. **Damage and Destruction — Repairs by Tenant.** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) Tenant's Obligation to Repair. If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section, except as provided in subsection (B) below. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) If the Leased Premises are damaged or destroyed by fire or other casualty which occurs after the Effective Date hereof, and if the uninsured cost to repair such damage or to restore the Leased Premises (including deductibles) exceeds \$50,000, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises (provided, however, that Landlord may nullify Tenant's election not to undertake the repairs and restoration, within thirty (30) days after receiving Tenant's notice by confirming either (x) that Landlord shall reimburse Tenant for such excess costs within 30 days after the completion of the repairs and restoration and Landlord's receipt of reasonable supporting documentation of such costs or (y) that Landlord waives its right to terminate this Lease pursuant to Section 18 prior to the date which is 12 months after the repairs and restoration are completed), and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, and (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease. No assignment, subletting or other transfer of the Lease or the Leased Premises

shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Intentionally Omitted**.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

"Gross Sales" shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from "Gross Sales" (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant's actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called "four-wall deals" with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such "four-wall deals" shall be included in "Gross Sales" under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and

other similar devices shall be deducted from "Gross Sales" (if and to the extent previously included in "Gross Sales").

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a "Reassessment") for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term "Tax Increase" shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
- (ii) Attributable to the annual inflationary increases in real estate taxes; or
- (iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant's exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

13. **Rooftop Equipment and Access.** Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder. Notwithstanding the foregoing, Tenant's exclusive rights are subject to any agreements entered into after the Effective Date by Landlord and a licensee or lessee regarding Rooftop Equipment provided that such Rooftop Equipment does not interfere with Tenant's Rooftop Equipment installed pursuant to this Section.

14. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as a first-class motion picture theatre complex (whether operated as a so called "first run" theatre and/or an "art house" theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called "second-run" theater complex or a so-called "adult" theater complex.

15. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease

beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine

16. **Alternate Rent.** As of the Effective Date and if and for so long as Tenant continues to satisfy the Operating Condition (defined above), then in lieu of Base Rent and Percentage Rent otherwise due under the Lease (but not in lieu of Tenant's share of Impositions or any other amounts payable by Tenant under the Lease, which will continue to be due and payable by Tenant as provided in the Lease), Tenant shall pay to Landlord on a monthly basis an amount equal to twelve percent (12%) of Tenant's Gross Sales, as defined hereinabove. Such amount shall be paid by Tenant monthly in arrears on or before the thirtieth (30th) day after the end of each calendar month. Within sixty (60) days after the end of each fiscal year, Tenant shall provide a written certification of Tenant's Gross Sales for the prior year, executed by the chief financial officer or controller of Tenant, which shall be subject to the same year-end reporting and reconciliation procedures and the verification and audit rights of Landlord that apply to Percentage Rent under this Lease.

17. **Early Termination — Tenant.** (i) If, during any consecutive twelve (12) calendar month period after the Effective Date (the "Test Period"), the TLCF (defined on Exhibit "A-2" hereto) for the Leased Premises is less than zero, then Tenant shall have the right, to be exercised by written notice to Landlord at any time when the TLCF over the most current trailing twelve (12) month period was negative or within forty-five (45) days after such Test Period, to terminate the Lease as provided below in this Section; provided, however, that such notice and Tenant's right to terminate the Lease as provided in this Section shall be void and ineffective unless Tenant shall have satisfied the Operating Condition (defined in Section 4 above) continuously throughout the Test Period. In order to be effective, Tenant's notice to Landlord under this Section shall include a written certification to Landlord from Tenant's chief financial officer or controller confirming that the TLCF for the Test Period is less than zero. Provided Tenant has satisfied the aforesaid conditions, then this Lease shall be terminated effective as of the date which is thirty (30) days after the termination notice.

(ii) If, at anytime during which Tenant is paying Alternate Rent, Tenant reasonably determines that it is necessary or appropriate to undertake in any prospective 12-month period (the "Cap Ex Test Period"), aggregate capital expenditures (i.e., expenditures required to be capitalized rather than expensed under Tenant's normal income tax accounting procedures) for any repairs and maintenance to the Leased Premises in excess of Fifty Thousand Dollars (\$50,000)

which Tenant is otherwise unwilling to make, then, Tenant shall have the right and option to terminate the Lease upon thirty (30) days prior written notice to Landlord, subject to the following terms and conditions: (A) Tenant's notice of termination shall specify in reasonable detail the applicable capital expenditures (the "Cap Ex Projects"), the projected commencement date of each Cap Ex Project and the estimated costs thereof (the "Projected Cap Ex Costs"), prior to incurring same and prior to the commencement of the Cap Ex Test Period; (B) Landlord shall have the ability (but not the obligation) to nullify Tenant's exercise of the termination option set forth in this subclause (ii) by delivering written notice to Tenant within ten (10) business days after the date of its receipt of Tenant's termination notice stating either that (1) Landlord shall reimburse Tenant for the amount by which the actual cost incurred by Tenant (within 30 days of receipt of reasonable documentation of such expense) during the Cap Ex Test Period for the identified Cap Ex Projects (but not more than the Projected Cap Ex Costs) exceed \$50,000.00, or (2) Landlord waives its right to terminate this Lease pursuant to Section 18 below during the applicable Cap Ex Test Period; (C) if Landlord so nullifies Tenant's purported termination, then Tenant shall be required to undertake the Cap Ex Projects not later than thirty (30) days after the applicable dates specified in Tenant's notice of termination and thereafter to diligently prosecute the Cap Ex Projects to completion, at Tenant's sole cost and expense (subject to reimbursement from Landlord as provided above, if applicable); and (D) if Tenant fails to undertake and complete the identified Cap Ex Projects as aforesaid, then (x) such failure shall constitute a default by Tenant under the Lease, and (y) Landlord's termination rights under Section 18 below will be immediately reinstated (notwithstanding the waiver pursuant to clause (2) above, if applicable).

Notwithstanding anything to the contrary set forth in the Lease, including Section 15 above, if Tenant elects to terminate this Lease pursuant to this Section and Landlord demolishes the theatre building of the Leased Premise within twelve (12) months after the date of termination, then Tenant shall reimburse Landlord for the actual out-of-pocket costs incurred by Landlord to demolish the theatre building (including, without limitation, the costs to remove from the Leased Premises all building materials and debris and all footings, foundations, utility lines and other underground installations that serve the Leased Premises and the costs to restore the surface of the Premises to a graded and landscaped surface); provided, however, that Tenant's reimbursement obligations shall not exceed an amount equal to the product of \$7.50 psf multiplied by the ground floor area of the theatre building (in square feet). Tenant shall pay the amount due under this paragraph within thirty (30) days after receiving Landlord's written demand for reimbursement, which shall include reasonable supporting documentation confirming the costs so incurred by Landlord. Tenant's obligations under this paragraph shall expressly survive the termination of the Lease.

18. **Early Termination — Landlord.** Landlord shall have the right, at anytime after the Effective Date of this Amendment, to terminate this Lease upon not less than thirty (30) days' prior written notice to Tenant.

19. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to

possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

20. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

21. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication (“notice”) which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant’s Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord’s mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: President
with a copy to:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: General Counsel
and a copy to:	DLA Piper 203 North LaSalle Suite 1900 Chicago, IL 60601 Attention: David Sickle, Esq.

To Tenant:

Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

22. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

23. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall replace and restate such Second Amendment and Third Amendment in their entirety.

24. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy
Name: _____
Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufy
Name: _____
Title: _____

EXHIBIT "A-3"

Definition of Theatre Level Cash Flow

"**Theatre Level Cash Flow**" shall mean all revenues attributable to the Leased Premises over the applicable measurement period, less expenses clearly attributable to the Leased Premises over the same period as reflected on the applicable individual theatre level cash flow statement calculated by the company using consistent methods and policies as that utilized by the company in determining the theatre cash flow on substantially all of its other individual theatre properties.

Revenues shall include box office receipts (less applicable admission tax), concession receipts (less applicable sales tax), game revenues (less applicable sales tax), pay phone revenue, studio and other rental income, ATM revenue, revenue from tickets redeemed at the theatre from internet or other off-site ticketing (but not related fees charged for such service or revenue from unredeemed tickets), and any other revenues attributable to the operations of the theatre.

Expenses shall include all costs necessary to operate the theatre and theatre, including but not limited to film rental, snack bar cost of sales (net of all applicable rebates from vendors), payroll expenses attributable to employees working at the theatre, advertising costs, security expenses, janitorial expenses, maintenance (excluding capitalized expenses), repairs (excluding capitalized expenses), supplies, utilities, telephone expenses, freight, bank and credit card expense, business tax and licenses, cash shortages, base rent, percentage rent, common area maintenance, property taxes, and insurance.

Expenses specifically excluded include charges for off-site administration costs, income taxes, interest, and depreciation & amortization.

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Exhibit C	Form of Memorandum of Lease
Exhibit D	Guaranty of Lease

LEASE

THIS INDENTURE OF LEASE, dated as of December 1, 1995, by and between Syufy Enterprises, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, CA, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in a parcel of land described on Exhibit A attached hereto.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I
EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the tract of land hereinafter referred to as "Entire Premises".

EXHIBIT B — a site plan of the Entire Premises showing Tenant's Building.

EXHIBIT C — Form of Memorandum of Lease.

EXHIBIT D — Guaranty of Lease.

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean July 1, 1996.

The term "Effective Date" shall mean December 1, 1995.

The term "Default Rate" shall mean the lesser of (i) the "Prime Rate" plus four percent (4%) or (ii) the highest rate of interest that may lawfully be charged to the party then required to pay interest under this Lease at the Default Rate.

The term "Entire Premises" shall mean the tract of land described on Exhibit B.

The term "Initial Rent Due Date" shall mean July 1, 1996.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" or "Premises" shall mean the Entire Premises.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Tenant Working Days" shall mean 365 days.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five (5) years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Planned Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "Tenant's Building" shall mean the building to be erected by Tenant at Tenant's sole cost.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

- A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein.
- B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".
- C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date.

2.02 Term of Lease.

Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter and shall terminate on the last day of the calendar month during which the date which is twenty (20) years after the Commencement Date occurs. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default (meaning the breach of any obligation hereunder and failure to cure that breach within the time permitted in Section 14.01) at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple.

(B) Tenant shall give Landlord prior written notice before commencing any work upon the Premises, and shall cause all work to be performed by Tenant to be conducted in such a manner that the same does not unreasonably interfere with the other tenant's customers or their business operations.

(C) Maintenance of Entire Premises. At all times during the Term, Tenant shall keep and maintain the Exterior Common Facilities in the Entire Premises and Tenant's Building in good order and repair and in a clean and safe condition, reasonably free of debris. Tenant's obligation hereunder shall include maintaining the parking areas of the Entire Premises free of potholes and assuring that they are properly coated and sealed and striped as needed. Tenant shall make any and all additions to and all alterations and repairs in, on and about the Entire Premises, which may be required by, and shall otherwise observe and comply with, all public laws, ordinances and regulations from time to time applicable to the Entire Premises. Tenant shall indemnify and save harmless Landlord from and

against all actions, claims and damages by reason of Tenant's failure to comply with and perform its obligations under this section.

(D) Tenant's Liens Tenant will not permit the Entire Premises to become subject to any mechanics', laborers' or materialmen's lien on account of labor or material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed on the Entire Premises by or at the direction or sufferance of Tenant; provided, however, Tenant shall have the right to contest in good faith and with reasonable diligence the validity of any such lien or claimed lien and on final determination of the lien or claim for the lien, Tenant will immediately pay any judgment rendered with all proper costs and charges, and will, at its own expense, have the lien released and any judgment satisfied.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Planned Use no other purpose.

B) Landlord shall agree and consent to such utility and other easements encumbering the Premises or benefiting the Premises and encumbering the Fee Parcels as Tenant may reasonably require for its use and occupancy of the Premises.

C) Landlord agrees that no use of the Entire Premises shall be permitted which is inconsistent with the operation of the Planned Use. Tenant shall be subject to and responsible for all costs and granted all rights as set forth in the Covenants, Conditions, Restrictions and Grants of Easements covering the Premises.

ARTICLE IV
RENT

4.01 Annual Fixed Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term Annual Fixed Rent in the amount of \$653,304.00 The Annual Fixed Rent shall be payable in advance in twelve (12) equal monthly installments. The Annual Fixed Rent shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 (B) below.

B) The Annual Fixed Rent shall apply from the Rent Commencement Date through the end of the fifth (5^h) Lease Year of the Term. The Annual Fixed Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5^h) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor,

Bureau of Labor Statistics Consumer Price Index for all Urban Consumers, Sacramento, Subgroup "All Items", (1982-84+100) (the Consumers Price Index"; provided however, in no event shall the Annual Fixed Rent be increased by an amount that is less than ten (10%) greater than the Annual Fixed Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index, shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent.

In addition to the payment of Annual Fixed Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Annual Fixed Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate. For the purpose of computing the Annual Percentage for the first Lease Year, the Gross sales and the annual fixed rate percentage for the partial calendar month, if any, preceding the first Lease Year shall be includable in the Annual Fixed Rate and Gross Sales for the first Lease Year.

Gross Sales shall mean all box office receipts, and receipts from sales of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant and returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions". Commissions paid to agencies or other third parties for selling tickets and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined

as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V
TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Entire Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay when due all Impositions assessed, levied or attributable to the Entire Premises and/or the Improvements on the Entire Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall

immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

5.02 Exceptions from Impositions; Charges in Lieu of Impositions

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.03 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.03. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.03.

5.04 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities consumed on the Entire Premises exclusive of Landlord's Buildings, if any. Any utility improvements presently serving the Entire Premises shall be maintained, repaired and replaced by Tenant, at Tenant's expense.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees.

fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI
INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Entire Premises, Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations, footings and underground improvements) as well as any and all improvements on the Entire Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) including Builder's Risk but excluding earthquake and flood to the extent of not less than 100% of the full replacement cost thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Upon written request, Tenant shall name Landlord and any parties requested by Landlord and the holder of the first mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Tenant in writing to disburse such insurance proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or proceeds received by the Tenant and/or Landlord shall be held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and Second, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVI hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Tenant and Landlord shall apply the proceeds of the insurance collected to the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Tenant and Landlord by the licensed architect or engineer in charge of the work. Any amounts payable to Tenant or any Affiliate of Tenant for work or services performed or materials provided as part of any such repair, replacement, restoration or rebuilding shall not exceed competitive rates for such services or materials and Tenant

shall, upon request of Landlord, make available to Landlord and its representatives all books and records of Tenant relating to such work, services and materials. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Tenant or Landlord with respect to the damage or destruction involved, and not used, shall be and remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Tenant and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have

released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII
MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained, which approval shall not be unreasonably withheld.

B) Tenant shall at all times keep the Entire Premises, Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

C) Upon termination of this Lease, Tenant may, at its option, remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance.

A) Tenant shall, at its sole cost and expense, maintain and repair the Entire Premises and Tenant's Building and all improvements on the Entire Premises and including all exterior lighting and signs.

B) Tenant shall also be responsible for any losses or damages resulting from any materials, substances or liquids which are leaked or discharged from the Entire Premises.

Tenant shall commence all of the repairs and maintenance within 3 days after receiving notice thereof from Landlord (provided that in the case of an emergency Tenant shall commence such work immediately upon receiving notice) and shall be diligently completed in a good and workmanlike manner. Notwithstanding the foregoing, Landlord shall have the right and option (but not the

obligation) to undertake any such repair, maintenance or other items, in which event Tenant shall reimburse Landlord for all of the costs thereof within 30 days after Landlord's request therefor. If Tenant fails to reimburse Landlord within the 30 day period, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum until such payment has been made.

ARTICLE VIII
ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.02 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the

Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar

information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Landlord's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify

Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof, or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant Improvements. Tenant at its sole cost and expense shall complete all the required on-site and off-site improvements, including all signs, required for the development of the Entire Premises. In addition Tenant shall construct a motion picture theater building on the Premises containing approximately sixty thousand (50,000) square feet with fourteen auditoriums. Landlord will provide Tenant with a site and building allowance of \$5,294,200.00. The site and building allowance will be paid by Landlord to Tenant the latter of July 1, 1996 or the date Tenant opens to the public for business.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of by Tenant of Tenant's Building and Improvements or repairs made at any time to the Entire Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership of Improvements.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein excluding moveable trade fixtures and personal property of Tenant, shall become the property of Landlord, unless and to the extent Tenant elects to remove any of the foregoing pursuant to Section 9.04 (B).

B) Tenant shall have the right to remove all trade fixtures, equipment and furnishings, including seats, carpets, draperies, screen, sound reproducing equipment, projection equipment, furniture and lobby frames from the Premises without notice to Landlord and the foregoing shall remain the property of the Tenant at the expiration or earlier termination of the Lease. In addition, Tenant shall have the right if Tenant so elects by giving written notice to Landlord of such election at any time before ninety (90) days prior to the end of the Term (including any renewals or extensions) hereof to remove any other Improvements and all additions, alterations and improvements thereto or replacements thereof erected, constructed, or installed on the Premises. The removal of any of the foregoing shall be completed within thirty (30) days following the end of the Term hereof (including any renewals thereof or any earlier termination permitted by this Lease).

9.07 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X
INDEMNITY

10.01 Landlord's Indemnity. Except to the extent attributable to the intentional and negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), directly or indirectly arising out of or attributable to (i) any intentional or negligent act or omission of Tenant, its agents, employees, licensees, invitees or contractors on the Leased Premises, occurring within the Leased Premises or (ii) arising from Tenant's or its employees use of the Leased Premises.

10.02 Tenant's Indemnity. Except to the extent attributable to the intentional and negligent acts or omissions of Tenant and its agents, employees, tenants, licensees and contractors, Landlord shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant)

and save Tenant (and its successors, assigns and subletees), and all of their directors, officers, employees and agents, hereinafter referred to as "Tenant Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), directly or indirectly arising out of or attributable to (i) any intentional or negligent act or omission of Landlord, its agents, employees, licensees, invitees on the Entire Premises or contractors, occurring within the Entire Premises, or (ii) arising from Landlord's use of the Entire Premises.

ARTICLE XI
ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease. Landlord shall be entitled to all rent from any assignment or sublease in excess of the Annual Fixed Rent set forth in this Lease.

B) Any assignment of this Lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without Landlord's consent, assign this Lease (a) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenant's Parent Corporation), or (b) to Tenant's Parent Corporation, or (c) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, provided that such corporation duly and validly then guarantees the performance of the obligations under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord in writing of any assignment of the Lease ten (10) days prior to such event.

ARTICLE XII

MORTGAGE SUBORDINATION

12.01 Existing Mortgages. If there is an existing mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises or in any other part of the Entire Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

12.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIII

CONDEMNATION — EMINENT DOMAIN

13.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Entire Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

13.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

A) Notice of Intended Taking;

B) Service of any legal process relating to condemnation of the Premises or improvements;

C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or

D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

13.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

13.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

A) To Landlord, the amount awarded, if any for the Fair Market Value of all Land, buildings and other improvements on the Entire Premises and all Severance Damages.

B) To Tenant, the amount awarded, if any, for loss of goodwill, lost business, lost profits, relocation expenses and fixtures; and

C) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 13.04 out of amounts awarded by the governmental body taking the Premises.

13.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises or the parking taken bears to the total area of the Premises or the parking.

13.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty-three percent (33%) of the Building or thirty-three (33%) of the parking is taken by condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

13.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses, fixtures and relocation expenses against the acquiring governmental Agency.

ARTICLE XIV
DEFAULT

14.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Fixed Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease; provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

14.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03.

These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 14.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 14.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 14.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 14.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 14.02(C), Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default Landlord, at any time after Tenant is in default under Section 14.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

14.03 Landlord's Default

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

14.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

14.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 14.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party, which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. Arbitration shall be conducted under the Commercial Arbitration Rules of the American Arbitration Association.

14.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XV
REPRESENTATIONS AND WARRANTIES

15.01 Landlord's Representations and Warranties. Landlord represents and warrants:

- A) Landlord is the fee owner of the Premises.
- B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.
- C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.
- D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.
- E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets
- F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.
- G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

15.02 Tenant's Representations and Warranties. Tenant represents and warrants:

- A) Tenant is a California corporation in good standing.
- B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.
- C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

ARTICLE XVI
DAMAGE OR DESTRUCTION

16.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. In the event of damage to or destruction of the Tenant's Building or any Improvements on or to the Premises to be covered by the insurance described in Article 6:

(1) Damages of Less Than Fifty Percent (50%) of Replacement Cost If the cost of repairing or reconstructing the Tenant's Building or Improvements to the condition and form prior to such damage or destruction is not in excess of Fifty percent (50%) of the then new replacement cost of the Improvements and such repairs or reconstruction of any such damage or destruction can be made under then existing laws, ordinances, statutes or regulations of any governmental authorities applicable thereto (or can be so made with minor and non-material changes to the former condition and form of property damaged or destroyed), Tenant shall effect, and Landlord and Tenant agree that the funds derived from insurance acquired pursuant to Article 6 shall be made available to effect, such repair and reconstruction of the structure or improvement so damaged or destroyed to substantially its condition prior to said damage or destruction with such alterations thereto as Tenant shall reasonably determine prudent or valuable under the circumstances, including any changes required to comply with applicable law, with the then prevailing construction practices applicable to the Premises. Tenant shall be responsible for all costs in excess of Insurance proceeds available All such work shall be carried on in accordance with Drawings prepared by a licensed architect or architects approved by Landlord (acting reasonably) if such an architect is reasonably required, given the scope and nature of the work. In disbursing insurance proceeds the Tenant and Landlord may rely upon and accept the certified determinations of such architect with respect to estimated costs, awarding of contracts, sufficiency of bonds, progress of construction, interpretation of plans and specifications, compliance with same, and completion of construction. No extras or changes in Drawings shall be made by Tenant without first giving written notice of such changes to Landlord and obtaining Landlord's approval thereof (which approval shall not be unreasonably withheld or delayed).

(2) Damage in Excess of Fifty Percent (50%) If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of the Fifty percent (50%) provided in subparagraph (A)(1) of this Section 16.01, or if such cost is less than Fifty percent (50%), but such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto (and cannot be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), and, in any such event, the parties hereto are unable during a period of ninety (90) days after the determination by Tenant with respect to such damage or destruction to agree in writing on a construction program, then, at Tenant's sole option, the Term shall end as of the date of such damage or destruction, provided that Tenant notifies Landlord of its election to exercise such termination option within such ninety (90) day period. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), but the cost of so repairing or reconstructing such damage or destruction is in excess of the Fifty percent (50%) provided for in subparagraph (A)(1) of this Section 16.01, Tenant shall have the absolute right to treat such damage as under subparagraph (A)(1) of this Section 16.01 as if the damage or destruction met the description thereof set forth in the first sentence of that Section if Tenant (i) gives notice to the effect to Landlord within such ninety (90) days period after Tenant's determination with respect to said damage or destruction; and (ii) promptly demonstrates to the reasonable satisfaction of any Leasehold Mortgagee (if any) that it can provide the funds required or that will be required under the provisions of subparagraph (A)(1) of this Section 16.01 to effect such repair or restoration, whereupon the provisions of said subparagraph (A) of this Section 16.01 shall be fully applicable to such damage or destruction.

16.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated or elects to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided and subject to the provisions of subparagraph(B) of Section 16.01), and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

16.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenantable, Rent shall thereafter not abate but continue for as long as and to the extent such Improvements are untenantable.

16.04 Damage During Last Two (2) Years of Term. If there occurs during the last ten (10) years of the Initial Term or at any time during a Renewal Period damage or destruction to any Improvement on or in the Premises and the costs of repairing, restoring, replacing or rebuilding the

same exceed Five Thousand Dollars (\$500,000), then Tenant may elect to terminate the Term and, in such event, Tenant shall give notice to Landlord of its election within sixty (60) days after its determination of the amount of damage, and the Term shall thereupon terminate as of the date of such notice.

ARTICLE XVII
MISCELLANEOUS

17.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Entire Premises and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Entire Premises.

17.02 Brokers. Landlord and Tenant each represent to the other that neither has any obligation to any broker or finder in connection with this transaction, and that no fee or commission is due any broker, finder, or similar person in connection herewith. Landlord and Tenant each indemnifies the other and agrees to hold the other harmless from and against any and all claims, demands, liabilities, lawsuits, costs, and expenses (including reasonable attorneys' fees) for any fee or commission due to any other broker, finder, or similar person in connection with this transaction and arising out of the act of the indemnifying party.

17.03 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

17.04 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

17.05 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

17.06 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

17.07 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

17.08 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

17.09 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

17.10 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 17.11 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 17.11 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent..

17.11 Addresses for Notices to Landlord and Tenant

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
 150 Golden Gate Ave.
 San Francisco, CA 94102

To Tenant: Century Theatres of California, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Real Estate Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

17.12 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

17.13 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

17.14 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

17.15 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other

than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

17.16 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

17.17 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

17.18 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

17.19 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

17.20 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities,

17.21 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

17.22 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

17.23 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

- A) Terminate any existing subleases or subtenancies; or
- B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California corporation

By: /s/ JOE SYUFY
Print Name: Joe Syufy
Title: Senior Exec VP

LANDLORD:

SYUFY ENTERPRISES, a
California Limited Partnership

By: /s/ RAYMOND SYUFY
Print Name: Raymond Syufy
Title: President

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated December 1, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located in Folsom, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to "Sacramento" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter

Folsom

imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VEL"

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Surrender

After the first sentence of Section 14.02(E), the following sentence is hereby inserted:

Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

Folsom

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.

“Landlord”

/s/ Raymond W. Syufy

Raymond W. Syufy

Chief Executive Officer

CENTURY THEATRES, INC.

“Tenant”

/s/ Joseph Syufy

Joseph Syufy

President

[STAMP]

Folsom

FOURTH AMENDMENT TO LEASE

(Folsom)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Landlord (then known as Syufy Enterprises, a California limited partnership ("Original Landlord")) and Century Theatres of California, Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of December 1, 1995 (the "Original Lease"), for certain premises located in Folsom, California.

B. The Original Lease has been previously amended by (i) that certain First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) that certain Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"), and (iii) that certain Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise of a validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in Sacramento, California metropolitan area typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. **Damage and Destruction — Repairs by Tenant**. Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) **Tenant's Obligation to Repair**. If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section, except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) **Damage in Excess of 20%**. If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in subsection (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. **Permitted Assignments and Release**. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall

not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

“Gross Sales” shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from “Gross Sales” (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant’s actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called “four-wall deals” with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such “four-wall deals” shall be included in “Gross Sales” under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from “Gross Sales” (if and to the extent previously included in “Gross Sales”).

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a “Reassessment”) for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term “Tax Increase” shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
-

(ii) Attributable to the annual inflationary increases in real estate taxes; or

(iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial in Tenant's use of the Leased Premises as a motion picture theatre complex, including (without limitation) the conversion to stadium seating of the auditoria (if any) in the Leased Premises. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Any alterations, improvements or changes by Tenant must be consistent with the use and operation of the Leased Premises as a motion picture theatre complex. Tenant shall be required to complete all alterations, improvements and changes undertaken by Tenant. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

13. Rooftop Equipment and Access. Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission

devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

14. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

(a) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.

(b) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.

(c) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.

(d) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.

(e) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

15. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as a first-class motion picture theatre complex (whether operated as a so-called "first run" theatre and/or an "art house" theatre. In no event shall Tenant be permitted to operate the Leased Premises as a so-called "second-run" theatre complex or as a so-called "adult" theatre complex.

16. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

17. **12% Rent Conversion and Early Termination.**

(a) As of the Effective Date hereof, the parties have been made aware of the possibility that a new motion picture theatre complex may be developed and operated at the location of the existing Bradshaw drive-in on the site which is approximately 37 acres on the northwest quadrant of Bradshaw and Highway 50 (the "Nearby Theatre").

(b) If the Nearby Theatre opens for business and thereafter during any consecutive twelve (12) calendar month period (the "First Test Period"), the Theatre Level Cash Flow ("TLCF"), as defined in Exhibit "A-3" hereto, for the Leased Premises over such First Test Period is less than zero, then upon notice from Tenant to Landlord at any time when the TLCF over the most current trailing twelve (12) month period was negative or within forty-five (45) days after such Test Period, the 12% Rent Conversion (defined below) will become effective; provided, however, that such notice and Tenant's right pursuant to the 12% Rent Conversion as

provided in this subparagraph (b) shall be void and ineffective unless Tenant shall have satisfied the Operating Condition (defined in Section 3 above) throughout the First Test Period. In order to be effective, Tenant's notice to Landlord under this subparagraph (b) shall include a written certification to Landlord from Tenant's chief financial officer or controller confirming that the TLCF for the First Test Period is less than zero. Provided Tenant has satisfied the aforesaid conditions, then effective as of the first day of the first calendar month following Landlord's receipt of Tenant's notice as provided above and thereafter so long as Tenant continues to satisfy the Operating Condition, in lieu of Base Rent and Percentage Rent otherwise due under the Lease (but not in lieu of Tenant's share of Impositions or any other amounts payable by Tenant under the Lease, which will continue to be due and payable by Tenant as provided in the Lease) Tenant shall pay to Landlord on a monthly basis an amount equal to twelve percent (12%) of Tenant's Gross Sales, as defined in Section 9 above (the "12% Rent Conversion"). Such amount shall be paid by Tenant monthly in arrears on or before the thirtieth (30th) day after the end of each calendar month. Within sixty (60) days after the end of each fiscal year, Tenant shall provide a written certification of Tenant's Gross Sales for the applicable period, executed by the chief financial officer or controller of Tenant, which shall be subject to the same year-end reporting and reconciliation procedures and the verification and audit rights of Landlord that apply to Percentage Rent under this Lease.

(c) (i) If the 12% Rent Conversion occurs and thereafter during any consecutive twelve (12) calendar month period (the "Second Test Period"), the TLCF for the Leased Premises is less than zero, then Tenant shall have the right to be exercised by written notice to Landlord at any time when the TLCF over the most current trailing twelve (12) month period was negative or within forty-five (45) days after such Second Test Period, to terminate the Lease as provided below in this subparagraph (c); provided, however, that such notice and Tenant's right to terminate the Lease as provided in this subparagraph (c) shall be void and ineffective unless Tenant shall have satisfied the Operating Condition (defined above) continuously throughout the Second Test Period. In order to be effective, Tenant's notice to Landlord under this subparagraph (c) shall include a written certification to Landlord from Tenant's chief financial officer or controller that the TLCF for the Second Test Period is less than zero. Provided Tenant has satisfied the aforesaid conditions, then this Lease shall be terminated effective as of the date which is thirty (30) days after the expiration of the termination notice.

(ii) If the 12% Rent Conversion occurs, and if at any time thereafter, Tenant reasonably determines that it is necessary or appropriate to undertake in any prospective 12-month period (the "Cap Ex Test Period"), aggregate capital expenditures (i.e., expenditures required to be capitalized rather than expensed under Tenant's normal income tax accounting procedures) for any repairs and maintenance to the Leased Premises in excess of Fifty Thousand Dollars (\$50,000) which Tenant is otherwise unwilling to make, then, Tenant shall have the right and option to terminate the Lease upon thirty (30) days prior written notice to Landlord, subject to the following terms and conditions:

(A) Tenant's notice of termination shall specify in reasonable detail the applicable capital expenditures (the "Cap Ex Projects"), the projected commencement date of each Cap Ex Project and the estimated costs thereof (the "Projected Cap Ex Costs"), prior to incurring same and prior to the commencement of the Cap Ex Test Period;
(B) Landlord shall have the ability (but not the obligation) to nullify Tenant's exercise of the termination option set forth in this subclause (ii) by delivering written notice to Tenant within ten (10) business days after the date of its receipt of Tenant's termination notice stating either that

(1) Landlord shall reimburse Tenant for the amount by which the actual cost incurred by Tenant (within 30 days of receipt of reasonable documentation of such expense) during the Cap Ex Test Period for the identified Cap Exp Projects (but not more than the Projected Cap Ex Costs) exceed \$50,000.00, or (2) Landlord waives its right to terminate this Lease pursuant to Section 17(d) below during the applicable Cap Ex Test Period; (C) if Landlord so nullifies Tenant's purported termination, then Tenant shall be required to undertake the Cap Ex Projects not later than thirty (30) days after the applicable dates specified in Tenant's notice of termination and thereafter to diligently prosecute the Cap Ex Projects to completion, at Tenant's sole cost and expense (subject to reimbursement from Landlord as provided above, if applicable); and (D) if Tenant fails to undertake and complete the identified Cap Ex Projects as aforesaid, then (x) such failure shall constitute a default by Tenant under the Lease, and (y) Landlord's termination rights under Section 17(d) below will be immediately reinstated (notwithstanding the waiver pursuant to clause (2) above, if applicable).

Notwithstanding anything to the contrary set forth in the Lease, including Section 16 above, if Tenant elects to terminate this Lease pursuant to this Section 17 and Landlord demolishes the theatre building of the Leased Premise within twelve (12) months after the date of termination, then Tenant shall reimburse Landlord for the actual out-of-pocket costs incurred by Landlord to demolish the theatre building (including, without limitation, the costs to remove from the Leased Premises all building materials and debris and all footings, foundations, utility lines and other underground installations that serve the Leased Premises and the costs to restore the surface of the Premises to a graded and landscaped surface); provided, however, that Tenant's reimbursement obligations shall not exceed an amount equal to the product of \$7.50 psf multiplied by the ground floor area of the theatre building (in square feet). Tenant shall pay the amount due under this paragraph within thirty (30) days after receiving Landlord's written demand for reimbursement, which shall include reasonable supporting documentation confirming the costs so incurred by Landlord. Tenant's obligations under this paragraph shall expressly survive the termination of the Lease.

(d) If the 12% Rent Conversion occurs, then Landlord shall have the right at anytime thereafter to terminate this Lease upon not less than thirty (30) days' prior written notice to Tenant.

18. **Restrictive Covenant.** Landlord covenants and agrees that upon the termination of the Lease for any reason other than the default of the Tenant, no portion of the Entire Premises including the Leased Premises shall be used as a motion picture theater complex for a period of 10 years from the date of termination. The terms and provisions of this Section shall survive the termination of the Lease except that the foregoing restrictive covenant shall not apply if the Lease is terminated as a consequence of a default by Tenant. Such restrictive covenant shall run with the land. Landlord agrees to execute within thirty (30) days after the request by Tenant a restrictive covenant in form appropriate for recording containing the restrictions contained herein. Tenant shall be responsible for the cost of all such recording fees.

19. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

20. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

21. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication (“notice”) which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant’s Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord’s mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: President
with a copy to:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: General Counsel
and a copy to:	DLA Piper 203 North LaSalle Suite 1900 Chicago, IL 60601 Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

22. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

23. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall replace and restate such Second Amendment and Third Amendment in their entirety.

24. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures appear on following page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ JOSEPH SYUFY

Name: _____

Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ RAYMOND W. SYUFY

Name: _____

Title: _____

EXHIBIT "A-3"

Definition of Theatre Level Cash Flow

"**Theatre Level Cash Flow**" shall mean all revenues attributable to the Leased Premises over the applicable measurement period, less expenses clearly attributable to the Leased Premises over the same period as reflected on the applicable individual theatre level cash flow statement calculated by the company using consistent methods and policies as that utilized by the company in determining the theatre cash flow on substantially all of its other individual theatre properties.

Revenues shall include box office receipts (less applicable admission tax), concession receipts (less applicable sales tax), game revenues (less applicable sales tax), pay phone revenue, studio and other rental income, ATM revenue, revenue from tickets redeemed at the theatre from internet or other off-site ticketing (but not related fees charged for such service or revenue from unredeemed tickets), and any other revenues attributable to the operations of the theatre.

Expenses shall include all costs necessary to operate the theatre and theatre, including but not limited to film rental, snack bar cost of sales (net of all applicable rebates from vendors), payroll expenses attributable to employees working at the theatre, advertising costs, security expenses, janitorial expenses, maintenance (excluding capitalized expenses), repairs (excluding capitalized expenses), supplies, utilities, telephone expenses, freight, bank and credit card expense, business tax and licenses, cash shortages, base rent, percentage rent, common area maintenance, property taxes, and insurance.

Expenses specifically excluded include charges for off-site administration costs, income taxes, interest, and depreciation & amortization.

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF NEVADA, INC., a Nevada corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Building and Theatre Improvements located in the State of Nevada as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Premises.

EXHIBIT B — a site plan of the Premises.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Default Rate" shall mean the lesser of (i) the "Prime Rate" plus four percent (4%) or (ii) the highest rate of interest that may lawfully be charged to the party then required to pay interest under this Lease at the Default Rate.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the real property set forth in Exhibit A.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves the right to develop the unimproved portion of the Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate, ect"; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

C) Tenant is granted an easement for ingress, egress and parking under all reciprocal agreements that Landlord is entitled to for this property. In addition Tenant shall be obligated to pay all costs and is granted all rights under all leases Landlord is a party to for this property.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$38,333.33 The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth, in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, Las Vegas Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or Pass Admissions” including EBF charges on “Pass Admissions” and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord’s reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term “Impositions” shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called “real estate tax” expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord’s predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which by law may be paid in installments over a period of time, Landlord shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Landlord has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Tenant's premises subject to the Installment Election, Tenant's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Landlord had in fact made the Installment Election.

C) In the event the Premises are separately assessed by the taxing authority, Tenant shall pay all such real property taxes directly to the taxing authority prior to delinquency. In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

D) In the event the Premises are not separately assessed by the taxing authority, Tenant shall pay all such real property taxes to the Landlord prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Proration of Taxes. If the Premises comprise a tax lot or lots with other property owned by Landlord or other parties ("Other Premises") assessed for real estate tax purposes, together with said Other Premises, immediately after the Commencement Date, Landlord and Tenant shall attempt to cause the appropriate taxing authorities to assess the Premises for real estate tax purposes separately from all Other Premises. During any period in which the Premises are assessed for real estate purposes, together with any Other Premises, Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against the Other Premises.

5.03 Exceptions from Impositions: Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto.

Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.05. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or

contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.05.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Premises.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Builder's Risk Insurance. During any restorations, alterations or changes in the Premises that may be made by Tenant at a cost in excess of Five Hundred Thousand Dollars (\$500,000) per job, contingent liability and builder's risk insurance upon the entire work on the Premises to the current one hundred percent (100%) replacement value thereof against "all risks" of physical loss or damage to the property insured, excluding earthquake and/or other earth movements and flood.

C) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations and footings), all improvements on the Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance

proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article VIII, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof, and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (C) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations-Changes.

A) At any time and from time to time during the Lease Term Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises that all such alterations or changes in Improvements and new Improvement shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions, on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Premises in first class condition for a building of like kind and place and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Premises shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition For purposes of this Article VIII, the term “Hazardous Material” means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. (“CERCLA”); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. (“RCRA”); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls (“PCBs”); and freon and other chloroflurocarbons.

8.02 Tenant’s Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at above actionable levels by Tenant its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys’ fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant’s (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used; generated or released into the

environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (as) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to

safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of,

compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof, or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs and which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof shall become the property of Landlord and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Tenant.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Tenant at the termination of this lease.

9.05 Control Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant in the Metropolitan Area, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operated motion picture theatres and has a book net worth of not less than \$20,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII
ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII
MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV
CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purpose of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

A) Notice of Intended Taking;

B) Service of any legal process relating to condemnation of the Premises or improvements;

C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or

D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;

B) To Landlord, the amount awarded, if any, for severance damages

C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate without improvements. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);

D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;

E) To Tenant any other award which will not reduce the amount which otherwise would be awarded to Landlord; and

F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such

re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination and under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an

absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a California corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises to the extent then allowed by Law, to substantially the same condition in which the Leased Premises were immediately prior to such damage..

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortage of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy or other causes beyond the

reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of Nevada and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural and vice versa "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.12 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's

Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.12 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

18.10 Addresses for Notices to Landlord and Tenant.

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
 150 Golden Gate Ave.
 San Francisco, CA 94102
 Attn: Real Estate Department

To Tenant: Century Theatres of Nevada, Inc.
 150 Golden Gate Avenue
 San Francisco, CA 94102
 Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord

shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the

stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

- A) Terminate any existing subleases or subtenancies; or
- B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF NEVADA, INC.,
a Nevada Corporation

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: V. P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy
Print Name: Raymond W. Syufy
Title: G. P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of Nevada, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises"), known as the Cinedome Theater, located in Henderson, Nevada; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of Nevada, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of Nevada, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to "Las Vegas" is hereby deleted and in its place is inserted the "Los Angeles-Orange County Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city

Cinedome Henderson

admission taxes, sales and use taxes, and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$20,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

Cinedome Henderson

Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy
Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy
Joseph Syufy
President

Cinedome Henderson

FOURTH AMENDMENT TO LEASE

(Henderson, Nevada)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

RECITALS:

A. Landlord (then known as Syufy Enterprises ("Original Landlord")) and Century Theatres of Nevada Inc., a Nevada corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in Henderson, Nevada.

B. The Original Lease has been previously amended by (i) that certain First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) that certain Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"), and (iii) that certain Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. Initial Term of Lease and Extension Options. Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise an validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. Landlord's Recapture Right. If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the State of Nevada typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. Self-Insurance of Property/Casualty Risks. Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. Damage and Destruction — Repairs by Tenant. Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) **Tenant's Obligation to Repair.** If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this (A) and (B), except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) **Damage in Excess of 20%.** If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in Section (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall

not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

“Gross Sales” shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from “Gross Sales” (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant’s actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called “four-wall deals” with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such “four-wall deals” shall be included in “Gross Sales” under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from “Gross Sales” (if and to the extent previously included in “Gross Sales”).

11. **Alterations by Tenant.**

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial in Tenant’s use of the Leased Premises as a motion picture theatre complex, including (without limitation) the conversion to stadium seating of the auditoria (if any) in the Leased Premises. Tenant shall fully and completely indemnify Landlord against any mechanics’ or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Any alterations, improvements or changes by Tenant must be consistent with the use and operation of the Leased Premises as a motion picture

theatre complex. Tenant shall be required to complete all alterations, improvements and changes that Tenant undertakes. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

12. **Rooftop Equipment and Access.** Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

13. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (i) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.

- (ii) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.
- (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.
- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.
- (v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

14. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

15. **12% Rent Conversion and Early Termination upon opening of Nearby Theatre.**

- (a) If a motion picture theatre complex (other than motion picture theatre complexes that exist as of the Effective Date) located within five (5) miles of the theatre (the "Nearby Theatre") commences operation after the Effective Date of this Amendment

and thereafter during any consecutive twelve (12) calendar month period (the "First Test Period"), the Theatre Level Cash Flow ("TLCF"), as defined in Exhibit "A-3" hereto, for the Leased Premises is less than zero, then upon notice from Tenant to Landlord at any time when the most current trailing twelve (12) month period was negative or within forty-five (45) days after such First Test Period, the 12% Rent Conversion (defined below) will become effective; provided, however, that such notice and Tenant's right to the 12% Rent Conversion as provided in this subparagraph (a) shall be void and ineffective unless Tenant shall have satisfied the Operating Condition (defined above) continuously throughout the First Test Period. In order to be effective, Tenant's notice to Landlord under this subparagraph (a) shall include a written certification to Landlord from Tenant's chief financial officer or controller confirming that the TLCF for the First Test Period is less than zero. Provided Tenant has satisfied the aforesaid conditions, then effective as of the first day of the first calendar month following Landlord's receipt of Tenant's notice as provided above and thereafter so long as Tenant continues to satisfy the Operating Condition, in lieu of Base Rent and Percentage Rent otherwise due under the Lease (but not in lieu of Tenant's share of Impositions or any other amounts payable by Tenant under the Lease, which will continue to be due and payable by Tenant as provided in the Lease) Tenant shall pay to Landlord on a monthly basis an amount equal to twelve percent (12%) of Tenant's Gross Sales, as defined in Section 10 above (the "12% Rent Conversion"). Such amount shall be paid by Tenant monthly in arrears on or before the thirtieth (30th) day after the end of each calendar month. Within sixty (60) days following the end of each fiscal year, Tenant shall provide certification of Tenant's Gross Sales for the applicable period, executed by the chief financial officer or the controller of Tenant, which shall be subject to the same year-end reporting and reconciliation procedures and the verification and audit rights of Landlord that apply to Percentage Rent under this Lease.

(b) (i) If the 12% Rent Conversion occurs and thereafter during any consecutive twelve (12) calendar month period (the "Second Test Period"), the TLCF for the Leased Premises is less than zero, then Tenant shall have the right, to be exercised by written notice to Landlord at any time when the most current trailing twelve (12) month period was negative or within forty-five (45) days after such Second Test Period to terminate the Lease as provided below in this subparagraph (b); provided, however, that such notice and Tenant's right to terminate the Lease as provided in this subparagraph (b) shall be void and ineffective unless Tenant shall have satisfied the Operating Condition (defined above) continuously throughout the Second Test Period. In order to be effective, Tenant's notice to Landlord under this subparagraph (b) shall include a written certification to Landlord from Tenant's chief financial officer or controller that the TLCF for the Second Test Period is less than zero. Provided Tenant has satisfied the aforesaid conditions, then this Lease shall be terminated effective as of the date which is thirty (30) days after the termination notice.

(ii) If the 12% Rent Conversion occurs and if, at anytime thereafter Tenant reasonably determines that it is necessary or appropriate to undertake in any prospective 12-month period (the "Cap Ex Test Period"), aggregate capital expenditures (i.e., expenditures required to be capitalized rather than expensed under Tenant's normal income tax accounting procedures) for any repairs and maintenance to the Leased

Premises in excess of Fifty Thousand Dollars (\$50,000) which Tenant is otherwise unwilling to make, then, Tenant shall have the right and option to terminate the Lease upon thirty (30) days prior written notice to Landlord, subject to the following terms and conditions: (A) Tenant's notice of termination shall specify in reasonable detail the applicable capital expenditures (the "Cap Ex Projects"), the projected commencement date of each Cap Ex Project and the estimated costs thereof (the "Projected Cap Ex Costs"), prior to incurring same and prior to the commencement of the Cap Ex Test Period; (B) Landlord shall have the ability (but not the obligation) to nullify Tenant's exercise of the termination option set forth in this subclause (ii) by delivering written notice to Tenant within ten (10) business days after the date of its receipt of Tenant's termination notice stating either that (1) Landlord shall reimburse Tenant for the amount by which the actual cost incurred by Tenant (within 30 days of receipt of reasonable documentation of such expense) during the Cap Ex Test Period for the identified Cap Ex Projects (but not more than the Projected Cap Ex Costs) exceed \$50,000.00, or (2) Landlord waives its right to terminate this Lease pursuant to Section 15(c) below during the applicable Cap Ex Test Period; (C) if Landlord so nullifies Tenant's purported termination, then Tenant shall be required to undertake the Cap Ex Projects not later than thirty (30) days after the applicable dates specified in Tenant's notice of termination and thereafter to diligently prosecute the Cap Ex Projects to completion, at Tenant's sole cost and expense (subject to reimbursement from Landlord as provided above, if applicable); and (D) if Tenant fails to undertake and complete the identified Cap Ex Projects as aforesaid, then (x) such failure shall constitute a default by Tenant under the Lease, and (y) Landlord's termination rights under Section 15(c) below will be immediately reinstated (notwithstanding the waiver pursuant to clause (2) above, if applicable).

Notwithstanding anything to the contrary set forth in the Lease, including Section 14 above, if Tenant elects to terminate this Lease pursuant to this Section 15 and Landlord demolishes the theatre building of the Leased Premise within twelve (12) months after the date of termination, then Tenant shall reimburse Landlord for the actual out-of-pocket costs incurred by Landlord to demolish the theatre building (including, without limitation, the costs to remove from the Leased Premises all building materials and debris and all footings, foundations, utility lines and other underground installations that serve the Leased Premises and the costs to restore the surface of the Premises to a graded and landscaped surface); provided, however, that Tenant's reimbursement obligations shall not exceed an amount equal to the product of \$7.50 psf multiplied by the ground floor area of the theatre building (in square feet). Tenant shall pay the amount due under this paragraph within thirty (30) days after receiving Landlord's written demand for reimbursement, which shall include reasonable supporting documentation confirming the costs so incurred by Landlord. Tenant's obligations under this paragraph shall expressly survive the termination of the Lease.

(c) If the 12% Rent Conversion occurs, then Landlord shall have the right at anytime thereafter to terminate this Lease upon not less than thirty (30) days' prior written notice to Tenant.

16. **Remedies.** The references in Article XV of the Lease to California Code Sections shall be disregarded. In the event of a breach or default by Tenant which is not cured within the

applicable cure periods (if any) set forth in the Lease, Landlord shall have any and all remedies now or later allowed by law or equity.

17. **Intentionally Omitted**.

18. **Notices**. The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with applicable law.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises, L.P.
 150 Pelican Way
 San Rafael, California 94901
 Attention: President

with a copy to: Syufy Enterprises, L.P.
 150 Pelican Way
 San Rafael, California 94901
 Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

19. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

20. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* - it being the intent of the parties hereto that this Amendment shall supersede such Second Amendment and Third Amendment in their entirety.

21. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Raymond Syufy
Name: _____
Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Joseph Syufy
Name: _____
Title: _____

EXHIBIT "A-3"

Definition of Theatre Level Cash Flow

"**Theatre Level Cash Flow**" shall mean all revenues attributable to the Leased Premises over the applicable measurement period, less expenses clearly attributable to the Leased Premises over the same period as reflected on the applicable individual theatre level cash flow statement calculated by the company using consistent methods and policies as that utilized by the company in determining the theatre cash flow on substantially all of its other individual theatre properties.

Revenues shall include box office receipts (less applicable admission tax), concession receipts (less applicable sales tax), game revenues (less applicable sales tax), pay phone revenue, studio and other rental income, ATM revenue, revenue from tickets redeemed at the theatre from internet or other off-site ticketing (but not related fees charged for such service or revenue from unredeemed tickets), and any other revenues attributable to the operations of the theatre.

Expenses shall include all costs necessary to operate the theatre and theatre, including but not limited to film rental, snack bar cost of sales (net of all applicable rebates from vendors), payroll expenses attributable to employees working at the theatre, advertising costs, security expenses, janitorial expenses, maintenance (excluding capitalized expenses), repairs (excluding capitalized expenses), supplies, utilities, telephone expenses, freight, bank and credit card expense, business tax and licenses, cash shortages, base rent, percentage rent, common area maintenance, property taxes, and insurance.

Expenses specifically excluded include charges for off-site administration costs, income taxes, interest, and depreciation & amortization.

LEASE
CENTURY THEATRES
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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Buildings, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Entire Premises.

EXHIBIT B — a site plan of the Entire Premises including the Leased Premises which is outlined in red.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02 Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Entire Premises" shall mean the Land including Buildings, the Leased Premises, parking, driveways and such other improvements as may presently exist or be added.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the Leased Premises.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES-TERM-OPTIONS-COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves and retains the right to develop the unimproved portion of the Entire Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate"; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

C) Tenant is granted a non-exclusive easement for parking and ingress and egress on and over the Entire Premises. Tenant is responsible for all costs associated with the Entire Premises exclusive of Landlord's Building. The location of said easements may be changed at the sole discretion of the Landlord so long as such change does not interfere with Tenant's Permitted Use.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$139,166.67 The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, Las Vegas, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which by law may be paid in installments over a period of time, Landlord shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Landlord has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Tenant's premises subject to the Installment Election, Tenant's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Landlord had in fact made the Installment Election.

C) In the event the Premises are separately assessed by the taxing authority, Tenant shall pay all such real property taxes directly to the taxing authority prior to delinquency. In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

D) In the event the Premises are not separately assessed by the taxing authority, Tenant shall pay all such real property taxes to the Landlord prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Proration of Taxes. If the Premises comprise a tax lot or lots with other property owned by Landlord or other parties ("Other Premises") assessed for real estate tax purposes, together with said Other Premises, immediately after the Commencement Date, Landlord and Tenant shall attempt to cause the appropriate taxing authorities to assess the Premises for real estate tax purposes separately from all Other Premises. During any period in which the Premises are assessed for real estate purposes, together with any Other Premises, Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against the Other Premises.

5.03 Exceptions from Impositions: Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto.

Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.05. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or

contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.05.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Premises.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Builder's Risk Insurance. During any restorations, alterations or changes in the Premises that may be made by Tenant at a cost in excess of Five Hundred Thousand Dollars (\$500,000) per job, contingent liability and builder's risk insurance upon the entire work on the Premises to the current one hundred percent (100%) replacement value thereof against "all risks" of physical loss or damage to the property insured, excluding earthquake and/or other earth movements and flood.

C) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations and footings), all improvements on the Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article XIV, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article,

irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations-Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Entire Premises which shall include the Common Area, driveways, parking, landscaping, signs, fences, lighting and any and all improvements (exclusive of Landlord's Buildings) in first class condition and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Entire Premises (exclusive of Landlord's Buildings) shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation

and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated biphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.02 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to

commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not, without prior advance notice to Tenant, cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof,

or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without Limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. All such signs shall be maintained at Tenant's sole expense.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as

"Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operates motion picture theatres and has a book net worth of not less than \$30,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII
MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV
CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

- A) Notice of Intended Taking;
- B) Service of any legal process relating to condemnation of the Premises or improvements;
- C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or
- D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

- A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;
- B) To Landlord, the amount awarded, if any, for severance damages
- C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);
- D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;
- E) To Landlord, any other award which will not reduce the amount which otherwise would be awarded to Tenant; and
- F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt

of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of

Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

- A) Tenant is a California corporation in good standing.
- B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.
- C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

ARTICLE XVII
DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises or the improvements to the Common Area are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises or the Common Area improvements unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises or the Common Area improvements to the extent then allowed by Law, to substantially the same condition in which the Leased Premises or the Common Area Improvements were immediately prior to such damage.

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenantable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise hereto provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained hereto are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.10 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.10 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent.

18.10 Addresses for Notices to Landlord and Tenant.

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
 150 Golden Gate Ave.
 San Francisco, CA 94102
 Attn: Real Estate Department

To Tenant: Century Theatres of California, Inc.
 150 Golden Gate Avenue
 San Francisco, CA 94102
 Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

CENTURY THEATRES OF CALIFORNIA, INC.,
a California Corporation

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: V.P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy
Print Name: Raymond Syufy
Title: [ILLEGIBLE]

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syfy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located in Redwood City, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to the "San Francisco-Oakland-San Jose Average" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter

Redwood City

imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$30,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

Redwood City

Alternatively, Landlord may elect in its sole and absolute, discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy

Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy

Joseph Syufy
President

[STAMP]
Redwood City

Second Amendment to Lease

This Second Amendment to Lease (this "**Amendment**") dated April 15, 2005 is executed by and between Syufy Enterprises, L.P., a California limited partnership ("**Landlord**") and Century Theatres, Inc., a California corporation ("**Tenant**").

WITNESSETH:

Whereas, Landlord and Century Theatres of California, Inc., a California corporation, entered into a lease dated September 30, 1995, as amended by that certain First Amendment to Lease, dated September 1, 2000 between Landlord and Century Theatres, Inc., a Delaware corporation (as amended, the "**Lease**"), for a motion picture building and related parking (the "**Premises**") located at Century 12 Park Redwood, 557 E. Bayshore, Redwood City, California; capitalized terms used but not defined herein shall have the meanings set forth in the Lease; and

Whereas, Century Theatres, Inc., a Delaware corporation ("**Century Theatres (DE)**"), succeeded Century Theatres of California, Inc., as Tenant; and

Whereas, Century Theatres (DE) assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

Whereas, Century Theatres, Inc., a California corporation, has succeeded Century Theatres (DE) as Tenant; and

Whereas, Century Theatres, Inc., a California corporation, has assumed all obligations of Century Theatres (DE), as set forth in the Lease; and

Whereas, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

Now, Therefore, the parties hereto mutually agree that, notwithstanding anything to the contrary therein, the Lease shall be amended as follows:

A. Abatement of Rent

From and after the date the movie theatre operated by Tenant and located "On Broadway" in downtown Redwood City (the "**Downtown Theater**") opens for business (the "**Opening Date**"), Tenant's obligation to pay Rent shall abate for the Term of the Lease; provided, however, that (i) Tenant shall at all times operate a first-class motion picture theatre showing only first-run films at the Premises, and (ii) Tenant shall not be in default under the Lease.

B. Termination Right Upon Downtown Theater Opening

From and after the Opening Date, Landlord may but shall not be obligated to terminate the Lease by delivering written notice (the "**Termination Notice**") to Tenant indicating the desired termination date (the "**Termination Date**"); provided, however, that if after the Opening Date Landlord has, in the exercise of reasonable diligence, executed a new lease for the Entire Premises and has obtained all necessary and appropriate entitlements and final approvals from all

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governmental or quasi-governmental authorities for the particular use contemplated by the new lease, and the appeal periods for all such entitlements and approvals have expired without the filing of an appeal, or if an appeal has been filed, such appeal has been resolved to Landlord's sole satisfaction, Landlord shall be obligated to terminate the Lease and the Termination Date shall be the date on which all of the aforesaid conditions have, in Landlord's sole and absolute discretion, been satisfied. If Landlord delivers a Termination Notice to Tenant as set forth above, then, as of the Termination Date, the parties shall have no further rights under the Lease nor further obligations with respect to the Premises, with the exception of any rights or obligations which expressly survive the termination of the Lease in accordance with the provisions thereof or at law.

C. Landlord's Right to Develop

1. The second sentence of Section 2.01 (a) of the Lease is hereby deleted in its entirety and replaced with the following:

Tenant expressly agrees that Landlord shall have the right, but shall have no obligation, to demolish, renovate, remodel, reconstruct or otherwise alter or develop in any manner the Entire Premises or any portion thereof for any and all uses beyond the Permitted Use (the "**Development**") without Tenant's consent; provided, however, that the Development shall not materially interfere with the Permitted Use or Tenant's access to the Premises. In addition to developing some or all of the Entire Premises that are outside of the Building, Landlord's Development rights set forth above shall include the right to develop at least two (2) retail pads anywhere in the Entire Premises, subject to Landlord's ability to provide sufficient additional parking to satisfy applicable governmental requirements, and all roof-top and other exterior communication and advertising rights on or about the Entire Premises, including, without limitation, the exclusive right to install, locate, maintain, use, replace and repair satellite dishes and other roof-top communications equipment on the roof of the Building. In connection with the foregoing, Tenant agrees that Tenant shall have no right to lease or otherwise allow any third party to access or use the roof of the Building or any portion of the Premises for any use other than the Permitted Use.

2. Tenant hereby waives all claims of any nature whatsoever Tenant may now have or may hereafter have against Landlord relating in any manner to, directly or indirectly, the Development. Without limiting the generality of the foregoing, Landlord shall not be liable for any damage to persons or property located in, on or about the Premises resulting from or in connection with the Development, and Tenant waives and shall defend, indemnify and hold harmless Landlord from any and all claims asserted by Tenant or Tenant's officers, agents, employees, contractors, licensees, invitees or guests arising from damage resulting from or in connection with the Development (except to the extent such damage is caused by the willful act or gross negligence of Landlord; provided, however, that Landlord shall not be liable for any consequential damages, including, without limitation, any claim for loss of profit or business).

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D. Surrender

Notwithstanding anything to the contrary in the Lease, upon the expiration or earlier termination of the Lease and promptly following Tenant's receipt of a cost estimate thereof from Landlord, Tenant shall pay to Landlord an amount equal to the cost of demolishing the improvements located on the Premises and removing all surface debris therefrom to Landlord's reasonable satisfaction, as such cost estimate is determined by Landlord in Landlord's sole and absolute discretion; provided, however, that Tenant may remove any or all of Tenant's furniture, fixtures and equipment (the "FF&E") from the Premises, so long as such removal occurs within forty-five (45) days after the Termination Date and Tenant repairs all extraordinary damage caused by such removal. Except as set forth above, from and after the Termination Date, the parties shall have no further rights under the Lease nor further obligations with respect to the Premises, except for any rights or obligations which expressly survive the termination of the Lease in accordance with the provisions thereof or at law.

E. Miscellaneous

1. This Amendment constitutes the entire understanding of the parties with respect to the subject matter hereof and all prior agreements, representations, and understandings between the parties, whether oral or written, are deemed null, all of the foregoing having been merged into this Amendment.

2. This Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease shall remain in full force and effect.

3. This Amendment shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives and successors and assigns.

4. Each party hereby specifically represents and warrants that its execution of this Amendment has been duly authorized by all necessary corporate or other action, and that this Amendment when fully signed and delivered shall constitute a binding agreement of such party, enforceable in accordance with its terms.

5. The parties acknowledge that each party and/or its counsel have reviewed and revised this Amendment and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Amendment or any amendments or exhibits to this Amendment or any document executed and delivered by either party in connection with this Amendment.

6. This Amendment may be executed in counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

[Signatures on following page]

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In Witness Whereof, Landlord and Tenant have executed this Amendment to be effective as of the date first written above.

**Syfy Enterprises, L.P.,
a California limited partnership
“Landlord”**

/s/ Raymond Syfy
Raymond Syfy,
Chief Executive Officer

**Century Theatres, Inc.,
a California corporation
“Tenant”**

/s/ Joseph Syfy
Joseph Syfy,
Chief Executive Officer

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FOURTH AMENDMENT TO LEASE

(Redwood City 12)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Landlord and Century Theatres of California, Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in Redwood City, California.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"), and (iii) Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"); the Original Lease as heretofore amended is referred to herein as the "Lease".

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Amended Lease.

D. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Amended Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease, the current Term of the Lease shall expire on the date that is twenty-four (24) months after the Effective Date hereof. Thereafter, Tenant shall not have any options to

renew or extend the Term of this Lease.

4. **Operating Condition.** Tenant covenants and agrees to continuously operate and regularly open the Leased Premises for business to the general public as a first-run motion picture theatre complex in accordance with the Lease, at least on such days and at such times that either the Nearby Theatre is open and operating or a majority of Century's and Cinemark's other first-run motion picture theatre complexes in the County of San Mateo typically are open and operating, subject to Excused Closures (defined below). (Tenant's obligations under this Section 4 are referred to herein as the "Operating Condition.") In order to satisfy the Operating Condition, Tenant shall allocate to and exhibit at the Leased Premises film which in its best judgment exercised in good faith is reasonably believed to constitute at least fifty percent (50%) of the so-called first run films exhibited at the Leased Premises and the Nearby Theatre (as measured by the aggregate national box-office receipts for the applicable first run films.) As used herein, "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty), provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its best efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. **Damage and Destruction — Repairs by Tenant.** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section, except as provided in subsection (B) below. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals

for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) If the Leased Premises are damaged or destroyed by fire or other casualty which occurs after the Effective Date and if the cost to repair such damage or to restore the Leased Premises as required in subsection (A) exceeds twenty percent (20%) of the replacement cost of the Lease Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion), then (i) Tenant may elect, upon notice to Landlord not later than thirty (30) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises as provided in subsection (A) (provided, however, that Landlord may nullify Tenant's election not to undertake the repairs and restoration, within 30 days after receiving Tenant's notice, by confirming either (x) that Landlord shall reimburse Tenant for such excess costs within thirty (3) days after the completion of the repairs and restoration and Landlord's receipt of reasonable supporting documentation of such costs, or (y) that Landlord waives its right to terminate this Lease pursuant to Section 17 prior to the date which is 12 months after the repairs and restoration are completed), and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, and (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

No assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **[Intentionally Omitted.]**

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

"Gross Sales" shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from "Gross Sales" (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant's actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called "four-wall deals" with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such "four-wall deals" shall be included in "Gross Sales" under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and

other similar devices shall be deducted from "Gross Sales" (if and to the extent previously included in "Gross Sales").

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a "Reassessment") for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term "Tax Increase" shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
- (ii) Attributable to the annual inflationary increases in real estate taxes; or
- (iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant's exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

13. Rooftop Equipment and Access. Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder. Notwithstanding the foregoing, Tenant's exclusive rights are subject to any agreements entered into after the Effective Date by Landlord and a licensee or lessee regarding Rooftop Equipment provided that such Rooftop Equipment does not interfere with Tenant's Rooftop Equipment installed pursuant to this Section.

14. Permitted Use and Operations. From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class first run motion picture theatre complex (whether operated as a so-called "first-run" theatre and/or an "art house" theatre) in accordance with the Operating Condition. In no event shall Tenant be permitted to operate the Leased Premises as a so-called "second run" or "adult" theater complex.

15. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

16. **Alternate Rent.** As of the Effective Date and if and for so long as Tenant continues to satisfy the Operating Condition (as defined in Section 4 above) (but not during periods of Excused Closure), then in lieu of Base Rent and Percentage Rent otherwise due under the Lease (but not in lieu of Tenant's share of real estate taxes or any other amounts payable by Tenant under the Lease, which will continue to be due and payable by Tenant as provided in the Lease), Tenant shall pay to Landlord on a monthly basis an amount equal to twelve percent (12%) of Tenant's Gross Sales, as defined in Section 10 above. Such amount shall be paid by Tenant monthly in arrears on or before the thirtieth (30th) day after the end of each calendar month. Within sixty (60) days after the end of each fiscal year, Tenant shall provide a written certification of Tenant's Gross Sales for the prior year, executed by the chief financial officer or controller of Tenant, which shall be subject to the same year-end reporting and reconciliation procedures and the verification and audit rights of Landlord that apply to Percentage Rent under this Lease.

17. **Early Termination — Landlord.** Landlord shall have the right, at anytime after the Effective Date of this Amendment, to terminate this Lease upon not less than thirty (30) days' prior written notice to Tenant.

18. **Landlord Guaranty of Combined Theatre Level Cash Flow.** As of the Effective Date hereof, Tenant is the lessee of the motion picture theatre complex in the "On Broadway" shopping center project located in Redwood City, California (the "Nearby Theatre"). For so long as (i) the Operating Condition (defined above) is satisfied by Tenant, and (ii) Tenant is continuously operating the Nearby Theatre as a motion picture theatre complex and open to the public for business therein at least on such days and at such times as the majority of other Century Theaters, Inc. and/or Cinemark USA, Inc. first-run theatres in the County of San Mateo are open and operating, if the aggregate Theatre Level Cash Flow ("TLCF"), defined on Exhibit "A-2" attached hereto, of the Leased Premises and the Nearby Theatre for any Covered Period is less Three Million Two Hundred Thousand Dollars (\$3,200,000.000) per annum (adjusted on a per diem basis for any Covered period of less than 12 full calendar months), then Landlord shall pay to Tenant the difference not later than thirty (30) days after receipt of Tenant's notice and demand for same. As condition to Landlord's obligations under this Section, Tenant's notice and demand shall include a written certification from Tenant's chief financial officer or controller or similar officer confirming the amount of the TLCF of the Leased Premises and the Nearby Theatre (stated separately) for the applicable Covered period, and (c) within thirty (30) days after the end of each calendar month during each Covered Period, Tenant shall notify Landlord of such TLCF of the Leased Premises and the Nearby Theatre (stated separately), by written certification executed by the chief financial officer, controller or similar executive officer of Tenant. As used herein, the term "Covered period" shall mean the period commencing on the Effective Date of this Amendment and expiring on the earlier of (i) the end of the second (2nd) anniversary of the Effective Date or (ii) the date Landlord executes a lease or a development agreement for the redevelopment of the Leased Premises with the City of Redwood City. Upon the expiration of the Covered Period, the Lease shall automatically terminate and neither Landlord nor Tenant shall have any further obligations under the Lease (except for obligations which expressly survive termination).

19. **Restrictive Covenant.** Landlord covenants and agrees that upon the termination of the Lease for any reason other than the default of the Tenant, no portion of the Entire Premises including the Leased Premises shall be used as a motion picture theater complex for a period of 20 years. The terms and provisions of this Section shall survive the termination of the Lease except that the foregoing restrictive covenant shall not apply if the Lease is terminated as a consequence of a default by Tenant. Such restrictive covenant shall run with the land. Landlord agrees to execute within thirty (30) days after the request by Tenant a restrictive covenant in form appropriate for recording containing the restrictions contained herein. Tenant shall be responsible for the cost of all such recording fees.

20. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

21. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord

may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

(A) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;

(B) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;

(C) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;

(D) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and

(E) for any other sums due."

22. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: President

with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Piano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

23. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms "Leased Premises", "Demised Premises" or "Premises" (and whether or not capitalized) is used herein, it shall be understood to mean the "premises leased hereby"; and whenever the term "Entire Premises" is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by

Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

24. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall supersede such Second Amendment and Third Amendment in their entirety.

25. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy
Name: _____
Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond Syufy
Name: _____
Title: _____

EXHIBIT "A-2"

Definition of Theatre Level Cash Flow

"**Theatre Level Cash Flow**" shall mean all revenues attributable to the Leased Premises over the applicable measurement period, less expenses clearly attributable to the Leased Premises over the same period as reflected on the applicable individual theatre level cash flow statement calculated by the company using consistent methods and policies as that utilized by the company in determining the theatre cash flow on substantially all of its other individual theatre properties.

Revenues shall include box office receipts (less applicable admission tax), concession receipts (less applicable sales tax), game revenues (less applicable sales tax), pay phone revenue, studio and other rental income, ATM revenue, revenue from tickets redeemed at the theatre from internet or other off-site ticketing (but not related fees charged for such service or revenue from unredeemed tickets), and any other revenues attributable to the operations of the theatre.

Expenses shall include all costs necessary to operate the theatre and theatre, including but not limited to film rental, snack bar cost of sales (net of all applicable rebates from vendors), payroll expenses attributable to employees working at the theatre, advertising costs, security expenses, janitorial expenses, maintenance (excluding capitalized expenses), repairs (excluding capitalized expenses), supplies, utilities, telephone expenses, freight, bank and credit card expense, business tax and licenses, cash shortages, base rent, percentage rent, common area maintenance, property taxes, and insurance.

Expenses specifically excluded include charges for off-site administration costs, income taxes, interest, and depreciation & amortization.

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Building, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Premises.

EXHIBIT B — a site plan of the Premises.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Default Rate" shall mean the lesser of (i) the "Prime Rate" plus four percent (4%) or (ii) the highest rate of interest that may lawfully be charged to the party then required to pay interest under this Lease at the Default Rate.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land hereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the real property set forth in Exhibit A.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves the right to develop the unimproved portion of the Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate, ect."; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

C) Tenant is granted all of Landlord's rights in and to the Miracle Center Parking Association. Tenant shall be responsible for all costs, dues, insurance and impositions pertaining to the Miracle Center Parking Association.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$66,666.67. The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, Los Angeles Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which by law may be paid in installments over a period of time, Landlord shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Landlord has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Tenant's premises subject to the Installment Election, Tenant's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Landlord had in fact made the Installment Election.

C) In the event the Premises are separately assessed by the taxing authority, Tenant shall pay all such real property taxes directly to the taxing authority prior to delinquency. In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

D) In the event the Premises are not separately assessed by the taxing authority, Tenant shall pay all such real property taxes to the Landlord prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Proration of Taxes. If the Premises comprise a tax lot or lots with other property owned by Landlord or other parties ("Other Premises") assessed for real estate tax purposes, together with said Other Premises, immediately after the Commencement Date, Landlord and Tenant shall attempt to cause the appropriate taxing authorities to assess the Premises for real estate tax purposes separately from all Other Premises. During any period in which the Premises are assessed for real estate purposes, together with any Other Premises, Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against the Other Premises.

5.03 Exceptions from Impositions; Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto.

Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.05. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or

contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.05.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Premises.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Builder's Risk Insurance. During any restorations, alterations or changes in the Premises that may be made by Tenant at a cost in excess of Five Hundred Thousand Dollars (\$500,000) per job, contingent liability and builder's risk insurance upon the entire work on the Premises to the current one hundred percent (100%) replacement value thereof against "all risks" of physical loss or damage to the property insured, excluding earthquake and/or other earth movements and flood.

C) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations and footings), all improvements on the Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance

proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article VIII, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof, and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (C) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Premises in first class condition for a building of like kind and place and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Premises shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term “Hazardous Material” means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes Listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. (“CERCLA”); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. (“RCRA”); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls (“PCBs”); and freon and other chlorofluorocarbons.

8.02 Tenant’s Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without Limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys’ fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant’s (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the

environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of; and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to

safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of,

compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof, or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection, Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs and which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant in the Metropolitan Area, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operated motion picture theatres and has a book net worth of not less than \$20,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII
ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII
MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV
CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

A) Notice of Intended Taking;

B) Service of any legal process relating to condemnation of the Premises or improvements;

C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or

D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;

B) To Landlord, the amount awarded, if any, for severance damages

C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate without improvements. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);

D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;

E) To Tenant, any other award which will not reduce the amount which otherwise would be awarded to Landlord; and

F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof; without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom; applying the same first to the payment of the reasonable expenses of such

re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all: parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.4 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.5 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an

absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a California corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises to the extent then allowed by Law, to substantially the same condition in which the Leased Premises were immediately prior to such damage..

(B) Damage in Excess of Fifty Percent(50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the

reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided a bill, demand statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.12 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's

Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.12 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

18.10 Addresses for Notices to Landlord and Tenant.

Notices to are to be delivered, mailed or couriered to the following address (es):

To Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn: Real Estate Department

To Tenant: Century Theatres of California, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sate or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in tide, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord

shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the

stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California Corporation

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: V.P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy
Print Name: Raymond W. Syufy
Title: G.P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located in North Hollywood, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to "Los Angeles" is hereby deleted and in its place is inserted the "Los Angeles-Orange County Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter

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imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$20,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01 (B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

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Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy

Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy

Joseph Syufy
President

[STAMP]

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THIRD AMENDMENT TO LEASE

(North Hollywood)

THIS THIRD AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

RECITALS:

A. Landlord and Century Theatres of California Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in North Hollywood, California.

B. The Original Lease has been previously amended by (i) that certain First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), and (ii) that certain Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord and Tenant now desire to further amend the Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. Recitals Incorporated; Certain Defined Terms. The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. Effectiveness. The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. Initial Term of Lease and Extension Options. Notwithstanding anything to the contrary in the Lease, the current Term of the Lease shall expire on the date that is twelve (12) months after the Effective Date hereof. Thereafter, the Term of this Lease shall automatically renew on a year-to-year basis unless Tenant delivers written notice to Landlord at least sixty

(60) days prior to the then-current expiration date of the Term that Tenant elects not to extend the Term of the Lease.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Los Angeles typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on the determination date.

6. **Damage and Destruction — Repairs by Tenant** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) Tenant's Obligation to Repair. If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section,

except as provided in subsection (B) below. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) If the Leased Premises are damaged or destroyed by fire or other casualty which occurs after the Effective Date hereof, and if the uninsured cost to repair such damage or to restore the Leased Premises (including deductibles) exceeds \$50,000, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises (provided, however, that Landlord may nullify Tenant's election not to undertake the repairs and restoration, within thirty (30) days after receiving Tenant's notice by confirming either (x) that Landlord shall reimburse Tenant for such excess costs within 30 days after the completion of the repairs and restoration and Landlord's receipt of reasonable supporting documentation of such costs or (y) that Landlord waives its right to terminate this Lease pursuant to Section 18 prior to the date which is 12 months after the repairs and restoration are completed), and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, and (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease. No assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Intentionally Omitted**.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

"Gross Sales" shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from "Gross Sales" (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant's actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called "four-wall deals" with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such "four-wall deals" shall be included in "Gross Sales" under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from "Gross Sales" (if and to the extent previously included in "Gross Sales").

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a "Reassessment") for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term "Tax Increase" shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

(i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;

(ii) Attributable to the annual inflationary increases in real estate taxes; or

(iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. **Alterations by Tenant.**

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant shall

deem necessary or beneficial consistent with Tenant's exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

13. **Rooftop Equipment and Access.** Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder. Notwithstanding the foregoing, Tenant's exclusive rights are subject to any agreements existing on the date hereof and any extensions thereof that may be exercised by the licensee or lessee thereunder regarding Rooftop Equipment. The lessee's or licensee's under such agreements may unilaterally extend or renew if and to the extent provided under such agreements, but Landlord may not renew or extend such agreements or extend such agreements unilaterally if such systems interfere with the transmission received by Tenant's Rooftop Equipment installed pursuant to this Section 12.

14. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as a first-class motion picture theatre complex whether operated as a so-called "first run" theatre and/or an "art house" theatre. In no event shall Tenant be permitted to operate the Leased Premises as a so-called "second-run" theatre complex or a so-called "adult" theater complex.

15. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said

expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine

16. **Alternate Rent.** As of the Effective Date and if and for so long as Tenant continues to satisfy the Operating Condition (defined in Section 4 above), then in lieu of Base Rent and Percentage Rent otherwise due under the Lease (but not in lieu of Tenant's share of real estate taxes or any other amounts payable by Tenant under the Lease, which will continue to be due and payable by Tenant as provided in the Lease), Tenant shall pay to Landlord on a monthly basis an amount equal to twelve percent (12%) of Tenant's Gross Sales, as defined in Section 10 above. Such amount shall be paid by Tenant monthly in arrears on or before the thirtieth (30th) day after the end of each calendar month. Within sixty (60) days after the end of each fiscal year, Tenant shall provide a written certification of Tenant's Gross Sales for the prior year, executed by the chief financial officer or controller of Tenant, which shall be subject to the same year-end reporting and reconciliation procedures and the verification and audit rights of Landlord that apply to Percentage Rent under this Lease.

17. **No Obligation To Continuously Operate** Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

18. **Early Termination — Tenant.** (i) If, during any consecutive twelve (12) calendar month period after the Effective Date (the "Test Period"), the TLCF (defined on Exhibit "A-2" hereto) for the Leased Premises is less than zero, then Tenant shall have the right, to be exercised by written notice to Landlord at any time when the TLCF over the most current trailing twelve (12) month period was negative or within forty-five (45) days after such Test Period, to terminate the Lease as provided below in this Section; provided, however, that such notice and Tenant's right to terminate the Lease as provided in this Section shall be void and ineffective unless Tenant shall have satisfied the Operating Condition (defined in Section 4 above) continuously throughout the Test Period. In order to be effective, Tenant's notice to Landlord under this Section shall include a written certification to Landlord from Tenant's chief financial officer or controller confirming that the TLCF for the Test Period is less than zero. Provided Tenant has satisfied the aforesaid conditions, then this Lease shall be terminated effective as of the date which is thirty (30) days after the termination notice.

(ii) If, at anytime during which Tenant is paying Alternate Rent, Tenant reasonably determines that it is necessary or appropriate to undertake in any prospective 12-month period (the "Cap Ex Test Period"), aggregate capital expenditures (i.e., expenditures required to be capitalized rather than expensed under Tenant's normal income tax accounting procedures) for any repairs and maintenance to the Leased Premises in excess of Fifty Thousand Dollars (\$50,000) which Tenant is otherwise unwilling to make, then, Tenant shall have the right and option to terminate the Lease upon thirty (30) days prior written notice to Landlord, subject to the following terms and conditions: (A) Tenant's notice of termination shall specify in reasonable detail the applicable capital expenditures (the "Cap Ex Projects"), the projected commencement date of each Cap Ex Project and the estimated costs thereof (the "Projected Cap Ex Costs"), prior to incurring same and prior to the commencement of the Cap Ex Test Period; (B) Landlord shall have the ability (but not the obligation) to nullify Tenant's exercise of the termination option set forth in this subclause (ii) by delivering written notice to Tenant within ten (10) business days after the date of its receipt of Tenant's termination notice stating either that (1) Landlord shall reimburse Tenant for the amount by which the actual cost incurred by Tenant (within 30 days of receipt of reasonable documentation of such expense) during the Cap Ex Test Period for the identified Cap Ex Projects (but not more than the Projected Cap Ex Costs) exceed \$50,000.00, or (2) Landlord waives its right to terminate this Lease pursuant to Section 19 below during the applicable Cap Ex Test Period; (C) if Landlord so nullifies Tenant's purported termination, then Tenant shall be required to undertake the Cap Ex Projects not later than thirty (30) days after the applicable dates specified in Tenant's notice of termination and thereafter to diligently prosecute the Cap Ex Projects to completion, at Tenant's sole cost and expense (subject to reimbursement from Landlord as provided above, if applicable); and (D) if Tenant fails to undertake and complete the identified Cap Ex Projects as aforesaid, then (x) such failure shall constitute a default by Tenant under the Lease, and (y) Landlord's termination rights under Section 19 below will be immediately reinstated (notwithstanding the waiver pursuant to clause (2) above, if applicable).

Notwithstanding anything to the contrary set forth in the Lease, including Section 15 above, if Tenant elects to terminate this Lease pursuant to this Section and Landlord demolishes the theatre building of the Leased Premise within twelve (12) months after the date of termination, then Tenant shall reimburse Landlord for the actual out-of-pocket costs incurred by Landlord to demolish the theatre building (including, without limitation, the costs to remove from the Leased Premises all building materials and debris and all footings, foundations, utility lines and other underground installations that serve the Leased Premises and the costs to restore the surface of the Premises to a graded and landscaped surface); provided, however, that Tenant's reimbursement obligations shall not exceed an amount equal to the product of \$7.50 psf multiplied by the ground floor area of the theatre building (in square feet). Tenant shall pay the amount due under this paragraph within thirty (30) days after receiving Landlord's written demand for reimbursement, which shall include reasonable supporting documentation confirming the costs so incurred by Landlord. Tenant's obligations under this paragraph shall expressly survive the termination of the Lease.

19. **Early Termination — Landlord.** Landlord shall have the right, at anytime after the Effective Date of this Amendment, to terminate this Lease upon not less than thirty (30) days' prior written notice to Tenant.

20. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

21. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

22. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication (“notice”) which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant’s Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord’s mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

- To Landlord: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: President

- with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

- and a copy to: DLA Piper
203 North LaSalle
Suite 1900

Chicago, IL 60601
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

23. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

24. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment is hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall replace and restate such Second Amendment in its entirety.

25. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy

Name: _____

Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond Syufy

Name: _____

Title: _____

EXHIBIT "A-2"

Definition of Theatre Level Cash Flow

"**Theatre Level Cash Flow**" shall mean all revenues attributable to the Leased Premises over the applicable measurement period, less expenses clearly attributable to the Leased Premises over the same period as reflected on the applicable individual theatre level cash flow statement calculated by the company using consistent methods and policies as that utilized by the company in determining the theatre cash flow on substantially all of its other individual theatre properties.

Revenues shall include box office receipts (less applicable admission tax), concession receipts (less applicable sales tax), game revenues (less applicable sales tax), pay phone revenue, studio and other rental income, ATM revenue, revenue from tickets redeemed at the theatre from internet or other off-site ticketing (but not related fees charged for such service or revenue from unredeemed tickets), and any other revenues attributable to the operations of the theatre.

Expenses shall include all costs necessary to operate the theatre and theatre, including but not limited to film rental, snack bar cost of sales (net of all applicable rebates from vendors), payroll expenses attributable to employees working at the theatre, advertising costs, security expenses, janitorial expenses, maintenance (excluding capitalized expenses), repairs (excluding capitalized expenses), supplies, utilities, telephone expenses, freight, bank and credit card expense, business tax and licenses, cash shortages, base rent, percentage rent, common area maintenance, property taxes, and insurance.

Expenses specifically excluded include charges for off-site administration costs, income taxes, interest, and depreciation & amortization.

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Buildings, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Entire Premises.

EXHIBIT B — a site plan of the Entire Premises including the Leased Premises which is outlined in red.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Entire Premises" shall mean the Land including Buildings, the Leased Premises, parking, driveways and such other improvements as may presently exist or be added.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the Leased Premises.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves and retains the right to develop the unimproved portion of the Entire Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate TWENTY (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession: Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

C) Tenant shall be subject to, responsible for all costs and granted all rights to the Reciprocal Parking Agreement covering the Entire Premises. Additionally Tenant shall be subject to, responsible for all costs and granted all rights to the Easement Agreement with Tanforan Associates.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$75,333.33. The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco-Oakland-San Jose Average, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one - half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Entire Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any other items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Entire Premises and/or the Improvements on the Entire Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which are assessed on any Buildings exclusive of the Entire Premises, Tenant shall pay all such impositions. With respect to Impositions which by law may be paid in installments over a period of time, Tenant shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Tenant has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Landlord's Buildings subject to the Installment Election, Landlord's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Tenant had in fact made the Installment Election. Landlord shall pay all such real property taxes to the Tenant prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Landlord shall pay Tenant in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Exceptions from Impositions; Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Entire Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Entire Premises were the only property of Landlord subject to such taxes, or the income from operation of the Entire Premises were Landlord's only income, as the case may be. In the event of such assessment, Landlord would pay Tenant any such assessment related to any Buildings other than the Leased Premises located on the Entire Premises.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.04. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.04.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Entire Premises including the Common Area but exclusive of Landlord's buildings.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI
INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Entire Premises (exclusive of the interior of Landlord's Buildings), Leased Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Ten Million Dollars (\$10,000,000) per occurrence and in the aggregate.

B) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations, footings and underground improvements) and personal property as well as all Improvements on the Common area, (Landlord's Buildings excluded), including, but not limited to, signs, outdoor lighting fixtures and fences insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood, but including Builders Risk, to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after thirty (30) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article XIV, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord..

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article,

irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Entire Premises which shall include the Common Area, driveways, parking, landscaping, signs, fences, lighting and any and all improvements (exclusive of Landlord's Buildings) in first class condition and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Entire Premises (exclusive of Landlord's Buildings) shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation

and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated biphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.02 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to

commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not, without prior advance notice to Tenant, cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof,

or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. All such signs shall be maintained at Tenant's sole expense.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits: Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as

"Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenant's Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operates motion picture theatres and has a book net worth of not less than \$30,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII
MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV
CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

- A) Notice of Intended Taking;
- B) Service of any legal process relating to condemnation of the Premises or improvements;
- C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or
- D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

- A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;
- B) To Landlord, the amount awarded, if any, for severance damages
- C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);
- D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;
- E) To Landlord, any other award which will not reduce the amount which otherwise would be awarded to Tenant; and
- F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt

of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payments) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to § 1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimants(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of

Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

- A) Tenant is a California corporation in good standing.
- B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.
- C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

ARTICLE XVII
DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises or the improvements to the Common Area are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises or the Common Area improvements unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises or the Common Area improvements to the extent then allowed by Law, to substantially the same condition in which the Leased Premises or the Common Area Improvements were immediately prior to such damage.

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenantable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.10 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.10 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent.

18.10 Addresses for Notices to Landlord and Tenant.

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
 150 Golden Gate Ave.
 San Francisco, CA 94102
 Attn: Real Estate Department

To Tenant: Century Theatres of California, Inc.
 150 Golden Gate Avenue
 San Francisco, CA 94102
 Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California Corporation

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: V. P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy
Print Name: Raymond W. Syufy
Title: G. P.

SECOND AMENDMENT TO LEASE

This Second Amendment to Lease dated September 1, 2000 is executed by and between Syfy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located in South San Francisco, California; and

WHEREAS, Landlord and Tenant entered into that certain First Amendment to Lease dated October 31, 1996; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to further amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be further amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to the "San Francisco-Oakland-San Jose Average" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending

Plaza So. San Francisco

machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01 (A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$30,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

Plaza So. San Francisco

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This Second Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy _____
Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy _____
Joseph Syufy
President

[STAMP]
Plaza So. San Francisco

Third Amendment to Lease

This Third Amendment to Lease (this "**Amendment**") dated April 15, 2005 is executed by and between Syfy Enterprises, L.P., a California limited partnership ("**Landlord**") and Century Theatres, Inc., a California corporation ("**Tenant**").

Witnesseth:

Whereas, Landlord and Century Theatres of California, Inc., a California corporation, entered into a lease dated September 30, 1995, as amended by that certain First Amendment to Lease, dated October 31, 1996, between Landlord and Century Theatres of California, Inc., a California corporation, and as further amended by that certain Second Amendment to Lease, dated September 1, 2000 between Landlord and Century Theatres, Inc., a Delaware corporation (as amended, the "**Lease**"), for a motion picture building and related parking (the "**Premises**") located at Century Plaza, 410 Noor Avenue, So. San Francisco, California; capitalized terms used but not defined herein shall have the meanings set forth in the Lease; and

Whereas, Century Theatres, Inc., a Delaware corporation ("**Century Theatres (DE)**"), succeeded Century Theatres of California, Inc., as Tenant; and

Whereas, Century Theatres (DE) assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

Whereas, Century Theatres, Inc., a California corporation, has succeeded Century Theatres (DE) as Tenant; and

Whereas, Century Theatres, Inc., a California corporation, has assumed all obligations of Century Theatres (DE), as set forth in the Lease; and

Whereas, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

Now, Therefore, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Right to Terminate

At any time on or after the date the movie theatre operated by Tenant and located at "The Shops at Tanforan" (also known as the "Tanforan Mall") opens for business, either Landlord or Tenant may terminate the Lease by delivering written notice (the "**Termination Notice**") to the other party, indicating the date on which the Lease shall terminate (the "**Termination Date**"). If either party delivers a Termination Notice to the other party as set forth above, then, as of the Termination Date, the parties shall have no further rights under the Lease nor further obligations with respect to the Premises, with the exception of any rights or obligations which expressly survive the termination of the Lease in accordance with the provisions thereof or at law.

Century Plaza 10 — So. San Francisco, California

B. Landlord's Right to Develop

1. The second sentence of Section 2.01(a) of the Lease is hereby deleted in its entirety and replaced with the following:

Tenant expressly agrees that Landlord shall have the right, but shall have no obligation, to demolish, renovate, remodel, reconstruct or otherwise alter or develop in any manner the Entire Premises or any portion thereof for any and all uses beyond the Permitted Use (the "**Development**") without Tenant's consent; provided, however, that the Development shall not materially interfere with the Permitted Use or Tenant's access to the Premises. In addition to developing some or all of the Entire Premises that are outside of the Building, Landlord's Development rights set forth above shall include all roof-top and other exterior communication and advertising rights on or about the Entire Premises, including, without limitation, the exclusive right to install, locate, maintain, use, replace and repair satellite dishes and other roof-top communications equipment on the roof of the Building. In connection with the foregoing, Tenant agrees that Tenant shall have no right to lease or otherwise allow any third party to access or use the roof of the Building or any portion of the Premises for any use other than the Permitted Use.

2. Tenant hereby waives all claims of any nature whatsoever Tenant may now have or may hereafter have against Landlord relating in any manner to, directly or indirectly, the Development. Without limiting the generality of the foregoing, Landlord shall not be liable for any damage to persons or property located in, on or about the Premises resulting from or in connection with the Development, and Tenant waives and shall defend, indemnify and hold harmless Landlord from any and all claims asserted by Tenant or Tenant's officers, agents, employees, contractors, licensees, invitees or guests arising from damage resulting from or in connection with the Development (except to the extent such damage is caused by the willful act or gross negligence of Landlord; provided, however, that Landlord shall not be liable for any consequential damages, including, without limitation, any claim for loss of profit or business).

C. Surrender

Notwithstanding anything to the contrary in the Lease, upon the expiration or earlier termination of the Lease and promptly following Tenant's receipt of a cost estimate thereof from Landlord, Tenant shall pay to Landlord an amount equal to the cost of demolishing the improvements located on the Premises and removing all surface debris therefrom to Landlord's reasonable satisfaction, as such cost estimate is determined by Landlord in Landlord's sole and absolute discretion; provided, however, that Tenant may remove any or all of Tenant's furniture, fixtures and equipment (the "**FF&E**") from the Premises, so long as such removal occurs within forty-five (45) days after the Termination Date and Tenant repairs all extraordinary damage caused by such removal. Except as set forth above, from and after the Termination Date, the parties shall have no further rights under the Lease nor further obligations with respect to the Premises, except for any rights or obligations which expressly survive the termination of the Lease in accordance with the provisions thereof or at law.

Century Plaza 10 — So. San Francisco, California

D. Miscellaneous

1. This Amendment constitutes the entire understanding of the parties with respect to the subject matter hereof and all prior agreements, representations, and understandings between the parties, whether oral or written, are deemed null, all of the foregoing having been merged into this Amendment.
2. This Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease shall remain in full force and effect.
3. This Amendment shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives and successors and assigns.
4. Each party hereby specifically represents and warrants that its execution of this Amendment has been duly authorized by all necessary corporate or other action, and that this Amendment when fully signed and delivered shall constitute a binding agreement of such party, enforceable in accordance with its terms.
5. The parties acknowledge that each party and/or its counsel have reviewed and revised this Amendment and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Amendment or any amendments or exhibits to this Amendment or any document executed and delivered by either party in connection with this Amendment.
6. This Amendment may be executed in counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

[Signatures on following page]

Century Plaza 10 — So. San Francisco, California

In Witness Whereof, Landlord and Tenant have executed this Amendment to be effective as of the date first written above.

**syfy enterprises, L.P.,
a California limited partnership
“Landlord”**

/s/ Raymond Syfy
Raymond Syfy,
Chief Executive Officer

**Century Theatres, Inc.,
a California, corporation
“Tenant”**

/s/ Joseph Syfy
Joseph Syfy,
Chief Executive Officer

Century Plaza 10 — So. San Francisco, California

FIFTH AMENDMENT TO LEASE

(South SF 10)

THIS FIFTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

RECITALS:

A. Landlord (then known as Syufy Enterprises ("Original Landlord")) and Century Theatres of California Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in San Francisco, California.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of October 31, 1996 (the "First Amendment"), (ii) Second Amendment to Lease dated as of September 1, 2000 (the "Second Amendment"), (iii) Third Amendment to Lease dated as of April 15, 2005 (the "Third Amendment"), and (iv) Fourth Amendment to Lease dated as of September 29, 2005 (the "Fourth Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the

Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise and validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of San Francisco typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. Damage and Destruction — Repairs by Tenant. Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) Tenant's Obligation to Repair. If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section, except as provided in subsection (B) below. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) Damage in Excess of 20%. If the Leased Premises are damaged or destroyed by fire or other casualty which occurs after the Effective Date hereof, and if the cost to repair such damage or to restore the Leased Premises as required in Section (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, and (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly

owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

No assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

"Gross Sales" shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from "Gross Sales" (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant's actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x)

the receipts of or from so-called "four-wall deals" with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such "four-wall deals" shall be included in "Gross Sales" under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from "Gross Sales" (if and to the extent previously included in "Gross Sales").

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a "Reassessment") for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term "Tax Increase" shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premises, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
- (ii) Attributable to the annual inflationary increases in real estate taxes; or
- (iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters

identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial in Tenant's use of the Leased Premises as a motion picture theatre complex, including (without limitation) the conversion to stadium seating of the auditoria (if any) in the Leased Premises. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Any alterations, improvements or changes by Tenant must be consistent with the use and operation of the Leased Premises as a motion picture theatre complex. Tenant shall be required to complete all alterations, improvements or changes that Tenant undertakes. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

13. Rooftop Equipment and Access. Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

14. Alterations and Development by Landlord. Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (i) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.
- (ii) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.
- (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.
- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre
- (v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

15. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as a first-class motion picture theatre complex (whether operated as a so-called "first-run" theatre and/or an "art house" theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called "second run" theatre complex or a so-called "adult" theater complex.

16. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

17. **Early Termination — Opening of Nearby Theatre.** As of the Effective Date hereof, Tenant is the lessee under a lease agreement (the "Nearby Theatre Lease") for the motion picture theatre complex located or to be located at the proposed The Shops at Tanfron in San Bruno, California (the "Nearby Theatre"). As of the date the Nearby Theater opens for business to the public, the Lease shall be terminated.

18. **Early Termination — Cancellation of Nearby Theatre Lease.** In the event, during any consecutive twelve (12) calendar month period from the Effective Date (the "Test Period"), the Nearby Theatre is not constructed and open for business to the general public, and if the Theatre Level Cash Flow ("TLCF"), as defined in Exhibit "A-3" hereto, for the Leased Premises over the Test Period is less than zero, then Tenant shall have the right, to be exercised by written notice to Landlord at any time when the TLCF for the most current trailing twelve (12) month period was negative or forty-five (45) days after the expiration of such Test Period, to terminate the Lease as provided below in this Section 18; provided, however, that Tenant shall have concurrently or previously terminated the Nearby Theatre Lease; and provided further, that such notice and Tenant's right to terminate the Lease for the applicable Test Period shall be void and ineffective unless Tenant shall have satisfied the Operating Condition (defined above) continuously throughout the applicable Test Period subject to Excused Closure. Further, in order to be effective, Tenant's notice to Landlord under this Section 18 shall include a written "certification to Landlord from Tenant's chief financial officer or controller confirming that the TLCF for the Test Period calculated in accordance with Tenant's normal accounting practices is less than zero. Provided Tenant has satisfied the aforesaid conditions, then this Lease shall be terminated effective as of the date which is thirty (30) days after the termination notice of the Test Period.

19. **Restrictive Covenant.** Landlord covenants and agrees that if, upon the termination of the Lease for any reason, other than the default of Tenant, Tenant or an affiliate of Tenant is leasing and operating a Nearby Theater pursuant to the Nearby Theater Lease, then no portion of the Entire Premises including the Leased Premises shall be used or operated as a motion picture theater complex prior to the date which is the first to occur of (i) 15 years from

the date that the Nearby Theater is or was first open to the general public and operated as a motion picture theater complex or (ii) the termination or expiration of the Nearby Theater Lease or (iii) the Nearby Theater ceasing to be open to the public and operating as a first-run motion picture theater complex, for reasons other than Excused Closures for a continuous period of eighteen (18) months or more. The terms and provisions of the Section shall survive the termination of the Lease except that the foregoing restrictive covenant shall not apply if the Lease is terminated as a consequence of a default by Tenant. Such restrictive covenant shall run with the land. Landlord agrees to execute within thirty (30) days after request by Tenant a restrictive covenant in form appropriate for recording containing the restrictions contained herein. Tenant shall be responsible for the costs of all such recording fees.

20. California Remedies. Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

21. Termination of Lease and Lessee's Right to Possession. Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;

(3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;

(4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and

(5) for any other sums due."

22. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

- (a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.
 - (b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.
 - (c) Addresses for Notices to Landlord and Tenant.
-

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: President

with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601 94901
Attention: David Sickie, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Piano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this Section by giving written notice of such change to the other.

23. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

24. **Prior Amendments.** All of the provisions of the Second Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Third Amendment and the Fourth Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall supersede such Third Amendment and Fourth Amendment in their entirety.

25. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further

amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the "Lease" shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy

Name: _____

Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufy

Name: _____

Title: _____

EXHIBIT "A-3"

Definition of Theatre Level Cash Flow

"**Theatre Level Cash Flow**" shall mean all revenues attributable to the Leased Premises over the applicable measurement period, less expenses clearly attributable to the Leased Premises over the same period as reflected on the applicable individual theatre level cash flow statement calculated by the company using consistent methods and policies as that utilized by the company in determining the theatre cash flow on substantially all of its other individual theatre properties.

Revenues shall include box office receipts (less applicable admission tax), concession receipts (less applicable sales tax), game revenues (less applicable sales tax), pay phone revenue, studio and other rental income, ATM revenue, revenue from tickets redeemed at the theatre from internet or other off-site ticketing (but not related fees charged for such service or revenue from unredeemed tickets), and any other revenues attributable to the operations of the theatre.

Expenses shall include all costs necessary to operate the theatre and theatre, including but not limited to film rental, snack bar cost of sales (net of all applicable rebates from vendors), payroll expenses attributable to employees working at the theatre, advertising costs, security expenses, janitorial expenses, maintenance (excluding capitalized expenses), repairs (excluding capitalized expenses), supplies, utilities, telephone expenses, freight, bank and credit card expense, business tax and licenses, cash shortages, base rent, percentage rent, common area maintenance, property taxes, and insurance.

Expenses specifically excluded include charges for off-site administration costs, income taxes, interest, and depreciation & amortization.

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Building, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Premises.

EXHIBIT B — a site plan of the Premises.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Default Rate" shall mean the lesser of (i) the "Prime Rate" plus four percent (4%) or (ii) the highest rate of interest that may lawfully be charged to the party then required to pay interest under this Lease at the Default Rate.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight (8%).

The term "Premises" shall mean the real property set forth in Exhibit A.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves the right to develop the unimproved portion of the Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate Twenty (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate, ect."; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$47,500.00 The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco-Oakland-San Jose Average, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by 8% which of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which by law may be paid in installments over a period of time, Landlord shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Landlord has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Tenant's premises subject to the Installment Election, Tenant's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Landlord had in fact made the Installment Election.

C) In the event the Premises are separately assessed by the taxing authority, Tenant shall pay all such real property taxes directly to the taxing authority prior to delinquency. In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

D) In the event the Premises are not separately assessed by the taxing authority, Tenant shall pay all such real property taxes to the Landlord prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Proration of Taxes. If the Premises comprise a tax lot or lots with other property owned by Landlord or other parties ("Other Premises") assessed for real estate tax purposes, together with said Other Premises, immediately after the Commencement Date, Landlord and Tenant shall attempt to cause the appropriate taxing authorities to assess the Premises for real estate tax purposes separately from all Other Premises. During any period in which the Premises are assessed for real estate purposes, together with any Other Premises, Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against the Other Premises.

5.03 Exceptions from Impositions; Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto.

Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.05. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or

contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.05.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Premises.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Builder's Risk Insurance. During any restorations, alterations or changes in the Premises that may be made by Tenant at a cost in excess of Five Hundred Thousand Dollars (\$500,000) per job, contingent liability and builder's risk insurance upon the entire work on the Premises to the current one hundred percent (100%) replacement value thereof against "all risks" of physical loss or damage to the property insured, excluding earthquake and/or other earth movements and flood.

C) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations and footings), all improvements on the Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance

proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article VIII, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof, and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (C) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Premises in first class condition for a building of like kind and place and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Premises shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition For purposes of this Article VIII, the term “Hazardous Material” means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. (“CERCLA”); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. (“RCRA”); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls (“PCBs”); and freon and other chlorofluorocarbons.

8.02 Tenant’s Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorney’ fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on in or about the Premises which is through Tenant’s (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the

environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to

safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of,

compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof, or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs and which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant in the Metropolitan Area, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operated motion picture theatres and has a book net worth of not less than \$20,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII
ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII
MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV
CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

A) Notice of Intended Taking;

B) Service of any legal process relating to condemnation of the Premises or improvements;

C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or

D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;

B) To Landlord, the amount awarded, if any, for severance damages

C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate without improvements. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);

D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;

E) To Tenant, any other award which will not reduce the amount which otherwise would be awarded to Landlord; and

F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively, they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such

re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an

absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a California corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises to the extent then allowed by Law, to substantially the same condition in which the Leased Premises were immediately prior to such damage..

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lookouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot act of God, act of the public enemy, or other causes beyond the

reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.12 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's

Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.12 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

18.10 Addresses for Notices to Landlord and Tenant.

Notices to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn: Real Estate Department

To Tenant: Century Theatres of California, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises, of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord

shall have no further obligations under this Lease, except for Liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the

stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California Corporation

By: /s/ Joseph Syufy

Print Name: Joseph Syufy

Title: V.P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy

Print Name: Raymond W. Syufy

Title: G.P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located in Fremont, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to the "San Francisco-Oakland-San Jose Average" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter

Fremont

imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01 (A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$20,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

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Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy
Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy
Joseph Syufy
President

[STAMP]

Fremont

Second Amendment To Lease

This Second Amendment to Lease (this **"Amendment"**) dated April 15, 2005 is executed by and between Syufy Enterprises, L.P., a California limited partnership (**"Landlord"**) and Century Theatres, Inc., a California corporation (**"Tenant"**).

Witnesseth:

Whereas, Landlord and Century Theatres of California, Inc., a California corporation, entered into a lease dated September 30, 1995, as amended by that certain First Amendment to Lease, dated September 1, 2000 between Landlord and Century Theatres, Inc., a Delaware corporation (as amended, the **"Lease"**), for a motion picture building and related parking (the **"Premises"**) located at Cinedome Fremont, 39153 Farwell Drive, Fremont, California; capitalized terms used but not defined herein shall have the meanings set forth in the Lease; and

Whereas, Century Theatres, Inc., a Delaware corporation (**"Century Theatres (DE)"**), succeeded Century Theatres of California, Inc., as Tenant; and

Whereas, Century Theatres (DE) assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

Whereas, Century Theatres, Inc., a California corporation, has succeeded Century Theatres (DE) as Tenant; and

Whereas, Century Theatres, Inc., a California corporation, has assumed all obligations of Century Theatres (DE), as set forth in the Lease; and

Whereas, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

Now, Therefore, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Right to Terminate

At any time after the date the movie theatre operated by Tenant and located at the New Park Mall in Newark opens for business, either Landlord or Tenant may terminate the Lease by delivering written notice (the **"Termination Notice"**) to the other party, indicating the date on which the Lease shall terminate (the **"Termination Date"**). If either party delivers a Termination Notice to the other party as set forth above, then, as of the Termination Date, the parties shall have no further rights under the Lease nor further obligations with respect to the Premises, with the exception of any rights or obligations which expressly survive the termination of the Lease in accordance with the provisions thereof or at law.

Cinedome Fremont — Fremont, California

B. Landlord's Right to Develop

1. The second sentence of Section 2.01(a) of the Lease is hereby deleted in its entirety and replaced with the following:

Tenant expressly agrees that Landlord shall have the right, but shall have no obligation, to demolish, renovate, remodel, reconstruct or otherwise alter or develop in any manner the Entire Premises or any portion thereof for any and all uses beyond the Permitted Use (the "**Development**") without Tenant's consent; provided, however, that the Development shall not materially interfere with the Permitted Use or Tenant's access to the Premises. In addition to developing some or all of the Entire Premises that are outside of the Building, Landlord's Development rights set forth above shall include all roof-top and other exterior communication and advertising rights on or about the Entire Premises, including, without limitation, the exclusive right to install, locate, maintain, use, replace and repair satellite dishes and other roof-top communications equipment on the roof of the Building. In connection with the foregoing, Tenant agrees that Tenant shall have no right to lease or otherwise allow any third party to access or use the roof of the Building or any portion of the Premises for any use other than the Permitted Use.

2. Tenant hereby waives all claims of any nature whatsoever Tenant may now have or may hereafter have against Landlord relating in any manner to, directly or indirectly, the Development. Without limiting the generality of the foregoing, Landlord shall not be liable for any damage to persons or property located in, on or about the Premises resulting from or in connection with the Development, and Tenant waives and shall defend, indemnify and hold harmless Landlord from any and all claims asserted by Tenant or Tenant's officers, agents, employees, contractors, licensees, invitees or guests arising from damage resulting from or in connection with the Development (except to the extent such damage is caused by the willful act or gross negligence of Landlord; provided, however, that Landlord shall not be liable for any consequential damages, including, without limitation, any claim for loss of profit or business).

C. Surrender

Notwithstanding anything to the contrary in the Lease, upon the expiration or earlier termination of the Lease and promptly following Tenant's receipt of a cost estimate thereof from Landlord, Tenant shall pay to Landlord an amount equal to the cost of demolishing the improvements located on the Premises and removing all surface debris therefrom to Landlord's reasonable satisfaction, as such cost estimate is determined by Landlord in Landlord's sole and absolute discretion; provided, however, that Tenant may remove any or all of Tenant's furniture, fixtures and equipment (the "**FF&E**") from the Premises, so long as such removal occurs within forty-five (45) days after the Termination Date and Tenant repairs all extraordinary damage caused by such removal. Except as set forth above, from and after the Termination Date, the parties shall have no further rights under the Lease nor further obligations with respect to the Premises, except for any rights or obligations which expressly survive the termination of the Lease in accordance with the provisions thereof or at law.

Cinedome Fremont — Fremont, California

D. Miscellaneous

1. This Amendment constitutes the entire understanding of the parties with respect to the subject matter hereof and all prior agreements, representations, and understandings between the parties, whether oral or written, are deemed null, all of the foregoing having been merged into this Amendment.
2. This Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease shall remain in full force and effect.
3. This Amendment shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives and successors and assigns.
4. Each party hereby specifically represents and warrants that its execution of this Amendment has been duly authorized by all necessary corporate or other action, and that this Amendment when fully signed and delivered shall constitute a binding agreement of such party, enforceable in accordance with its terms.
5. The parties acknowledge that each party and/or its counsel have reviewed and revised this Amendment and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Amendment or any amendments or exhibits to this Amendment or any document executed and delivered by either party in connection with this Amendment.
6. This Amendment may be executed in counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

[Signatures on following page]

Cinedome Fremont — Fremont, California

In Witness Whereof, Landlord and Tenant have executed this Amendment to be effective as of the date first written above.

**Syfy Enterprises, L.P.,
a California limited partnership
“Landlord”**

/s/ Raymond Syfy

Raymond Syfy,
Chief Executive Officer

**Century Theatres, Inc.,
a California corporation
“Tenant”**

/s/ Joseph Syfy

Joseph Syfy,
Chief Executive Officer

Cinedome Fremont — Fremont, California

Third Amendment to Lease

This Third Amendment to Lease (this "**Amendment**") dated September 29, 2005 is executed by and between Syufy Enterprises, L.P., a California limited partnership ("**Landlord**") and Century Theatres, Inc., a California corporation ("**Tenant**").

Witnesseth:

Whereas, Landlord and Century Theatres of California, Inc., a California corporation, entered into a lease dated September 30, 1995, as amended by that certain First Amendment to Lease, dated September 1, 2000 between Landlord and Century Theatres, Inc., a Delaware corporation, and as further amended by that certain Second Amendment to Lease, dated April 15, 2005, between Landlord and Century Theatres, Inc., a California corporation (as amended, the "**Lease**"), for a motion picture building and related parking (the "**Premises**") located at Cinedome Fremont, 39153 Farwell Drive, Fremont, California; capitalized terms used but not defined herein shall have the meanings set forth in the Lease; and

Whereas, Century Theatres, Inc., a Delaware corporation ("**Century Theatres (DE)**"), succeeded Century Theatres of California, Inc., as Tenant; and

Whereas, Century Theatres (DE) assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

Whereas, Century Theatres, Inc., a California corporation, has succeeded Century Theatres (DE) as Tenant; and

Whereas, Century Theatres, Inc., a California corporation, has assumed all obligations of Century Theatres (DE), as set forth in the Lease; and

Whereas, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

Now, Therefore, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Term and Termination

The termination provision, as set forth in that certain Second Amendment to Lease, dated April 15, 2005 is hereby deleted and the Initial Term, as set forth in the lease dated September 30, 1995 shall remain unchanged.

B. Annual Rent

Annual Base Rent for the remainder of the Initial Term of the Lease shall be fixed at six hundred eleven thousand four hundred dollars (\$611,400) per year, payable monthly as set forth in the Lease.

Cinedome Fremont — Fremont, California

C. Surrender; No Demolition Obligation

Notwithstanding anything to the contrary in the Lease, upon the expiration or earlier termination of the Lease, Tenant shall have no obligation to demolish or pay Landlord to demolish the improvements located on the Premises or to remove any surface debris therefrom.

D. Miscellaneous

1. This Amendment constitutes the entire understanding of the parties with respect to the subject matter hereof and all prior agreements, representations, and understandings between the parties, whether oral or written, are deemed null, all of the foregoing having been merged into this Amendment.

2. This Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease shall remain in full force and effect.

3. This Amendment shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives and successors and assigns.

4. Each party hereby specifically represents and warrants that its execution of this Amendment has been duly authorized by all necessary corporate or other action, and that this Amendment when fully signed and delivered shall constitute a binding agreement of such party, enforceable in accordance with its terms.

5. The parties acknowledge that each party and/or its counsel have reviewed and revised this Amendment and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Amendment or any amendments or exhibits to this Amendment or any document executed and delivered by either party in connection with this Amendment.

6. This Amendment may be executed in counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

[Signatures on following page]

Cinedome Fremont — Fremont, California

In Witness Whereof, Landlord and Tenant have executed this Amendment to be effective as of the date first written above.

**Syfy Enterprises, L.P.,
a California limited partnership
“Landlord”**

/s/ Raymond Syfy

Raymond Syfy,
Chief Executive Officer

**Century Theatres, Inc.,
a California corporation
“Tenant”**

/s/ Joseph Syfy

Joseph Syfy,
Chief Executive Officer

Cinedome Fremont — Fremont, California

FOURTH AMENDMENT TO LEASE

(Fremont)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Landlord (then known as Syufy Enterprises, Inc. (the "Original Landlord")) and Century Theatres of California Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in Fremont, California.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"), and (iii) Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"); the Original Lease as heretofore amended is referred to herein as the "Lease".

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligations of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. Recitals Incorporated; Certain Defined Terms. The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. Effectiveness. The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Annual Rent.** Annual Base Rent for the remainder of the Initial Term of the Lease shall be fixed at six hundred eleven thousand four hundred dollars (\$611,400) per year, payable monthly as set forth in the lease.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in Alameda County, California typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. **Damage and Destruction — Repairs by Tenant.** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) **Tenant's Obligation to Repair.** If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section, except as provided in subsection (B) below. Unless Tenant is not required to effect the

repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) **Damage in Excess of 20%.** If the Leased Premises are damaged or destroyed by fire or other casualty which occurs after the Effective Date as required in subsection (A) hereof, and if the cost to repair such damage or to restore the Leased Premises exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

7. **Permitted Assignments.** Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, and (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease. No assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under

the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A".

9. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

"Gross Sales" shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from "Gross Sales" (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant's actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called "four-wall deals" with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such "four-wall deals" shall be included in "Gross Sales" under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from "Gross Sales" (if and to the extent previously included in "Gross Sales").

10. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises

(or Entire Premises, if applicable) are reassessed (a "Reassessment") for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term "Tax Increase" shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
- (ii) Attributable to the annual inflationary increases in real estate taxes; or
- (iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

11. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant's exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and

ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

12. **Rooftop Equipment and Access.** Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder. Notwithstanding the foregoing, Tenant's exclusive rights are subject to any agreements existing on the date hereof and any extensions thereof that may be exercised by the licensee or lessee thereunder regarding Rooftop Equipment. The lessee's or licensee's under such agreements may unilaterally extend or renew if and to the extent provided under such agreements, but Landlord may not renew or extend such agreements or extend such agreements unilaterally if such systems interfere with the transmission received by Tenant's Rooftop Equipment installed pursuant to this Section.

13. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as a first-class motion picture theatre complex (whether operated as a so-called "first run" theater and/or an "art house" theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called "second-run" theater complex or as a so-called "adult" theater complex.

14. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and such earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

15. **Early Termination.** As of the Effective Date hereof, Tenant is the lessee under a lease agreement (the "Protected Theater Lease") for the motion picture theater complex located or to be located at the "New Park Mall" located in Newark, California (the "Protected Theater"). Tenant is also the lessee under a lease agreement (the "Newark 7 Lease") for the motion picture theater complex known as the "Newark 7" theater located in Newark, California, pursuant which Tenant shall have the right and option to expand the Newark 7 theater (the "Newark 7 Expansion") if the lessor under the Protected Theater Lease fails to commence construction of the Protected Theater within twelve (12) after the Effective Date.

At the election of either Landlord or Tenant, upon not less than thirty (30) days prior written notice to the other party, the Lease shall be terminated and the term shall expire if: (i) Tenant takes possession of the Protected Theatre Lease and opens and operates the Protected Theatre for business as a motion picture theater complex, or (ii) Tenant exercises the Newark 7 lease and opens and operates the Newark 7 Expansion as a motion picture theater complex or (iii) upon either party's election at any time after the first anniversary of the Effective Date.

16. **Restrictive Covenant.** Landlord covenants and agrees that if, upon the termination of the Lease for any reason other than the default of Tenant, Tenant or an affiliate of Tenant is leasing and operating the Protected Theater pursuant to the Protected Theater Lease or Newark 7 pursuant to the Newark 7 Expansion, then no portion of the Entire Premises, including the Leased Premises shall be used or operated as a motion picture theater complex prior to the date which is the first to occur of (i) twenty (20) years from the date that the Protected Theater or the Newark 7 Expansion (whichever opens first) is or was first open to the general public and operated as a motion picture theater complex, or (ii) the termination or expiration of Protected Theater Lease or the Newark 7 Expansion, as the case may be, or (iii) the Protected Theater or Newark 7 Expansion, as the case may be, ceasing to be open to the public and operating as a first run motion picture theater complex, for reasons other than Excused Closure, for a continuous period of eighteen (18) consecutive months or more. The terms and provisions of this Paragraph shall survive the termination of the Lease (except that the foregoing restrictive covenant shall not apply if the Lease is terminated as a consequence of a default by Tenant). Such restrictive covenants shall run with the land. Landlord agrees to execute within thirty (30) days after request by Tenant a restrictive covenant in form appropriate for recording containing the restrictions contained herein. Tenant shall be responsible for the cost of all such recording fees.

17. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease,

including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

18. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

(A) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;

(B) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;

(C) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;

(D) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and

(E) for any other sums due."

19. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered

personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgage, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: President

with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this Section by giving written notice of such change to the other.

20. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

21. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall supersede such Second Amendment and Third Amendment in their entirety.

22. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy

Name: Joseph Syufy

Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufy

Name: Raymond W. Syufy

Title: _____

LEASE
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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Building, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Premises.

EXHIBIT B — a site plan of the Premises.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Default Rate" shall mean the lesser of (i) the "Prime Rate" plus four percent (4%) or (ii) the highest rate of interest that may lawfully be charged to the party then required to pay interest under this Lease at the Default Rate.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the real property set forth in Exhibit A.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves the right to develop the unimproved portion of the Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate TWENTY (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title: Authority and Quiet Possession: Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate, ect"; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$35,833.33. The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco-Oakland-San Jose Average, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which by law may be paid in installments over a period of time, Landlord shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Landlord has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Tenant's premises subject to the Installment Election, Tenant's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Landlord had in fact made the Installment Election.

C) In the event the Premises are separately assessed by the taxing authority, Tenant shall pay all such real property taxes directly to the taxing authority prior to delinquency. In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

D) In the event the Premises are not separately assessed by the taxing authority, Tenant shall pay all such real property taxes to the Landlord prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Proration of Taxes. If the Premises comprise a tax lot or lots with other property owned by Landlord or other parties ("Other Premises") assessed for real estate tax purposes, together with said Other Premises, immediately after the Commencement Date, Landlord and Tenant shall attempt to cause the appropriate taxing authorities to assess the Premises for real estate tax purposes separately from all Other Premises. During any period in which the Premises are assessed for real estate purposes, together with any Other Premises, Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against the Other Premises.

5.03 Exceptions from Impositions: Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto.

Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.05. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or

contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.05.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Premises.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Builder's Risk Insurance. During any restorations, alterations or changes in the Premises that may be made by Tenant at a cost in excess of Five Hundred Thousand Dollars (\$500,000) per job, contingent liability and builder's risk insurance upon the entire work on the Premises to the current one hundred percent (100%) replacement value thereof against "all risks" of physical loss or damage to the property insured, excluding earthquake and/or other earth movements and flood.

C) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations and footings), all improvements on the Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance

proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article VIII, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof, and third if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (C) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all Liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term-Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto if the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be-first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Premises in first class condition for a building of like kind and place and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Premises shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term “Hazardous Material” means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. (“CERCLA”); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. (“RCRA”); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls (“PCBs”); and freon and other chlorofluorocarbons.

8.02 Tenant’s Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys’ fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant’s (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the

environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to

safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any outer portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of,

compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof, or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs and which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.2 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees. Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.3 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.4 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant in the Metropolitan Area, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operated motion picture theatres and has a book net worth of not less than \$20,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such Corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII
ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII
MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, Limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV
CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

A) Notice of Intended Taking;

B) Service of any legal process relating to condemnation of the Premises or improvements;

C) Notice in connection with any proceedings or negotiations with respect to such a condemnation, or

D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;

B) To Landlord, the amount awarded, if any, for severance damages

C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate without improvements. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);

D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;

E) To Tenant, any other award which will not reduce the amount which otherwise would be awarded to Landlord; and

F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such

re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an

absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a California corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises to the extent then allowed by Law, to substantially the same condition in which the Leased Premises were immediately prior to such damage.

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as herein above provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the

reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.12 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's

Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.12 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

18.10 Addresses for Notices to Landlord and Tenant.

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn: Real Estate Department

To Tenant: Century Theatres of California, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord

shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the

stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California Corporation

By: /s/ Joseph Syufy

Print Name: Joseph Syufy

Title: V.P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy

Print Name: Raymond W. Syufy

Title: G.P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located in Newark, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to the "San Francisco-Oakland-San Jose Average" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter

Newark

imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01 (A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01 (C) to "\$20,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01 (B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

Newark

Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy

Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy

Joseph Syufy
President

[STAMP]

Newark

Third Amendment to Lease

This Third Amendment to Lease (this "**Amendment**") dated September 29, 2005 is executed by and between Syufy Enterprises, L.P., a California limited partnership ("**Landlord**") and Century Theatres, Inc., a California corporation ("**Tenant**").

Witnesseth:

Whereas, Landlord and Century Theatres of California, Inc., a California corporation, entered into a lease dated September 30, 1995, as amended by that certain First Amendment to Lease, dated September 1, 2000 between Landlord and Century Theatres, Inc., a Delaware corporation, and as further amended by that certain Second Amendment to Lease, dated April 15, 2005, between Landlord and Century Theatres, Inc., a California corporation (as amended, the "**Lease**"), for a motion picture building and related parking (the "**Premises**") located at Cinedome Newark, 6000 New Park Mall, Newark, California; capitalized terms used but not defined herein shall have the meanings set forth in the Lease; and

whereas, Century Theatres, Inc., a Delaware corporation ("**Century Theatres (DE)**"), succeeded Century Theatres of California, Inc., as Tenant; and

Whereas, Century Theatres (DE) assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

Whereas, Century Theatres, Inc., a California corporation, has succeeded Century Theatres (DE) as Tenant; and

Whereas, Century Theatres, Inc., a California corporation, has assumed all obligations of Century Theatres (DE), as set forth in the Lease; and

whereas, the parties desire now to amend the Lease as hereinafter provided;

Now, Therefore, the parties hereto mutually agree that, notwithstanding anything to the contrary therein, the Lease shall be amended as follows:

A. Term and Termination

The termination provision, as set forth in that certain Second Amendment to Lease, dated April 15, 2005 is hereby deleted and the Initial Term, as set forth in the lease dated September 30, 1995 shall remain unchanged.

B. Annual Rent

Annual Base Rent for the remainder of the Initial Term of the Lease shall be fixed at six hundred six thousand eight hundred forty dollars (\$606,840) per year, payable monthly as set forth in the Lease.

C. Surrender; No Demolition Obligation

Notwithstanding anything to the contrary in the Lease, upon the expiration or earlier termination of the Lease, Tenant shall have no obligation to demolish or pay Landlord to demolish the improvements located on the Premises or to remove any surface debris therefrom.

D. Miscellaneous

1. This Amendment constitutes the entire understanding of the parties with respect to the subject matter hereof and all prior agreements, representations, and understandings between the parties, whether oral or written, are deemed null, all of the foregoing having been merged into this Amendment.

2. This Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease shall remain in full force and effect.

3. This Amendment shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives and successors and assigns.

4. Each party hereby specifically represents and warrants that its execution of this Amendment has been duly authorized by all necessary corporate or other action, and that this Amendment when fully signed and delivered shall constitute a binding agreement of such party, enforceable in accordance with its terms.

5. The parties acknowledge that each party and/or its counsel have reviewed and revised this Amendment and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Amendment or any amendments or exhibits to this Amendment or any document executed and delivered by either party in connection with this Amendment.

6. This Amendment may be executed in counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

[Signatures on following page]

In Witness Whereof, Landlord and Tenant have executed this Amendment to be effective as of the date first written above.

**Syfy Enterprises, L.P.,
a California limited partnership
“Landlord”**

/s/ Raymond Syufy
Raymond Syufy,
Chief Executive Officer

**Century Theatres, Inc.,
a California corporation
“Tenant”**

/s/ Joseph Syufy
Joseph Syufy,
Chief Executive Officer

FOURTH AMENDMENT TO LEASE

(Newark)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Landlord (then known as Syufy Enterprises, a California limited partnership ("Original Landlord")) and Century Theatres of California, Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in Newark, California.

B. The Original Lease has been previously amended by (i) that certain First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) that certain Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"), and (iii) that certain Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016, but subject to the provisions of the Lease applicable to the exercise and validity of such Renewal Terms, and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) each, followed by one (1) additional and final Renewal Term of four (4) years.

4. **Annual Rent.** Annual Base Rent for the remainder of the Initial Term of the Lease shall be fixed at six hundred eight hundred forty dollars (\$608,840.00) per annum, payable monthly as set forth in the Lease.

5. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Alameda typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

6. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held

by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

7. Damage and Destruction — Repairs by Tenant. Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(a) Tenant's Obligation to Repair. If the Leases Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section, except as provided in subsection (b) below. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (b) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(b) Damage in Excess of 20%. If the Leased Premises are damaged or destroyed by fire or other casualty which occurs after the Effective Date hereof, and if the cost to repair such damage or to restore the Leased Premises as required in subsection (a) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

8. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, and (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant. A change in control of Tenant shall

not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease. No assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

9. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

10. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

11. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

"Gross Sales" shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from "Gross Sales" (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant's actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without

limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called "four-wall deals" with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such "four-wall deals" shall be included in "Gross Sales" under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from "Gross Sales" (if and to the extent previously included in "Gross Sales").

12. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a "Reassessment") for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term "Tax Increase" shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premises, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
- (ii) Attributable to the annual inflationary increases in real estate taxes; or
- (iii) Attributable to the sale of Landlord's ownership interest in Tenant to on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth (5th anniversary of the Effective Date, and continuing until the tenth (10th) anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is

treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date.

13. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial in Tenant's use of the Leased Premises as a motion picture theatre complex, including (without limitation) the conversion to stadium seating of the auditoria (if any) in the Leased Premises. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Any alterations, improvements or changes by Tenant must be consistent with the use and operation of the Leased Premises as a motion picture theatre complex. Tenant shall be required to complete all alterations, improvements and changes undertaken by Tenant. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 5 of this Amendment.

14. Rooftop Equipment and Access. Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

15. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (i) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.
- (ii) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.
- (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.
- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.
- (v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

16. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class motion picture theatre complex (whether operated as a so-called "first-run" theatre, a "second-run" theatre,

and/or an “art house” theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called “adult” theater complex.

17. **No Obligation To Continuously Operate.** Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

18. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant’s default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant’s sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result. Such demolition shall be undertaken in Landlord’s sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

19. **Early Termination — Opening of Nearby Theatre.** As of the Effective Date hereof, Tenant is the lessee under a lease agreement (the “Nearby Theatre Lease”) for the motion picture theatre complex located or to be located at the “New Park Mall” located in Newark, California (the “Nearby Theatre”). The Lease shall automatically terminate and the term shall expire if Tenant takes possession of the Nearby Theatre pursuant to the Nearby Theatre lease and opens and operates the Nearby Theatre for business as a motion picture theatre complex.

20. **Expansion of Premises if Nearby Theatre is not Developed.** If the lessor under the Nearby Theatre Lease does not commence construction of the Nearby Theatre within twelve (12) months after the Effective Date of this Amendment, then upon notice to Landlord not later than thirty (30) days after the expiration of such 12 month period, Tenant shall elect either (i) to terminate the Lease, or (ii) to exercise the option (the “Expansion Option”) to expand the Premises to include the adjacent 2.764 acres, more or less, owned by Landlord (the “Expansion Premises”), as depicted on Exhibit B attached hereto. If Tenant fails to notify Landlord of Tenant’s election under this Section 20 on or before the date which is thirteen (13) months after the Effective Date, then Tenant conclusively shall be deemed to have elected to terminate the lease pursuant to clause (i) above. The Expansion Option shall be subject to the following terms and conditions:

(a) At the time Tenant notifies Landlord of Tenant's election to expand the Premises, no material Event of Default by Tenant shall be outstanding beyond the expiration of any applicable notice and cure period, and neither this Lease nor Tenant's possession of the Premises shall have been terminated. Landlord shall cooperate at Tenant's sole cost and expense with Tenant in pursuing any necessary or appropriate entitlements to develop the Theatre.

(b) The Expansion Premises shall be accepted by Tenant in its then-existing "AS-IS" condition (it being expressly understood and agreed by Tenant that Landlord shall not be required to perform or pay for any work or improvements to the Expansion Premises) and otherwise on the terms, conditions, and provisions of this Lease. Tenant shall be solely responsible for the planning, permitting and construction of the Expansion Premises and the associated alterations of the Building, at Tenant's sole cost and expense. Landlord shall not be obligated to provide any allowance or to pay or reimburse Tenant for the construction of the Expansion Premises. Promptly after exercising the Expansion Option, Tenant shall apply for the entitlements required for the redevelopment of the theatre as contemplated hereunder (the "Expansion Entitlements"), and Tenant shall thereafter diligently and continuously seek to obtain the Expansion Entitlements; provided however that no Expansion Entitlements shall be binding upon Landlord, the Expansion Premises or any other portion of the Premises unless and until Tenant's termination rights under this Section are waived by Tenant in writing or have lapsed. Tenant shall keep Landlord well informed of Tenant's efforts to obtain and the status of the Expansion Entitlements. If the Expansion Entitlements are not obtained within 24 months after Tenant's exercise of the Expansion Option, and provided that Tenant shall have used good faith, reasonably diligent efforts to obtain the Expansion Entitlements, then Tenant (at Tenant's election) shall have the right and option to terminate the Lease upon thirty (30) days' prior written notice, subject to the following terms and conditions: (A) in order to be effective, the termination notice must be given by Tenant to Landlord not later than the first to occur of (x) thirty (30) days after the second (2nd) anniversary of the date of Tenant's exercise of the Expansion Option, or (y) thirty (30) days after Tenant ceases to actively and diligently pursue the Expansion Entitlements; (B) if Tenant so terminates the Lease, the Lease shall be terminated in its entirety (as to both the original Premises and the Expansion Premises); and (C) Tenant shall have no further right to terminate the Lease pursuant to this Section if the Expansion Entitlements are issued (or may be obtained by the payment of applicable fees) or if Tenant fails to timely notify Landlord of the termination in accordance with clause (A) above.

(c) Within days after receipt of entitlements, building permits and letting of construction contracts, Tenant shall commence redevelopment of the Theatre. Prior to commencing any on-site work relative to the Expansion Premises, Tenant shall submit the proposed construction plans for same to Landlord for Landlord's review and approval, which shall not be unreasonably withheld, delayed or conditioned. Upon completion and opening of any improvements on or to the Expansion Premises (including any expansion of or alterations to the existing Building on the Leased Premises), Tenant shall deliver to Landlord a copy of the so-called "as-built" plans and specifications for such Building improvements. The improvements, work, equipment and materials located upon or incorporated into the Expansion Premises by Tenant shall be deemed to be Tenant's property.

(d) If the Expansion Option is exercised and the Lease is not terminated by Tenant pursuant to subsection (b), then commencing on the second (2^d) anniversary of the date Tenant exercised the Expansion Option and thereafter for the remainder of the term of the Lease: (i) the Expansion Premises shall be deemed to be a part of the Leased Premises for all purposes under the Lease, (ii) the Base Rent otherwise due under the Lease shall be increased by One Hundred Ninety-Two Thousand Six Hundred Forty Dollars (\$192,640) per annum (\$16,053.33 per month), and (iii) Tenant shall have no further right to terminate the Lease pursuant to Section 19 above entitled "Early Termination — Opening of Nearby Theatre."

(e) If Tenant exercises the Expansion Option, Landlord and Tenant shall either (i) execute a written supplement to the Lease regarding the terms, provisions, and conditions of this Lease applicable to the Expansion Premises or (ii) negotiate in good faith the terms and conditions of a new lease containing the rent specified above and containing an initial term (from the date Tenant exercises the Expansion Option) of (10) years, four (4) renewal options of five (5) years each and one renewal option for four (4) years and such other terms as the parties may agree.

(f) Landlord agrees not to install improvements or engage in construction prior to the exercise or lapse of the Expansion Option or encumber the property in any way that frustrates the purpose of the Expansion Option.

(g) Tenant shall indemnify landlord and the Premises (including the Expansion Premises) from and against any loss, cost, liability, lien, encumbrance, damage or expense that arises out of or in connection with the issuance of, or Tenant's efforts to obtain the Expansion Entitlements. The terms and provisions of this subsection shall survive the termination of the Lease.

21. Restrictive Covenant. Landlord covenants and agrees that if, upon the termination of the Lease for any reason other than the default of Tenant, Tenant or an affiliate of Tenant is leasing and operating the Nearby Theater pursuant to the Nearby Theater Lease, then no portion of the Entire Premises, including the Leased Premises, shall be used or operated as a motion picture theater complex prior to the date which is the first to occur of (i) twenty (20) years from the date that the Nearby Theater is or was first open to the general public and operated as a motion picture theater complex, or (ii) the termination or expiration of Nearby Theater Lease, or (iii) the Nearby Theater ceasing to be open to the public and operating as a first run motion picture theater complex, for reasons other than Excused Closure, for a continuous period of eighteen (18) consecutive months or more. The terms and provisions of this Paragraph shall survive the termination of the Lease (except that the foregoing restrictive covenant shall not apply if the Lease is terminated as a consequence of a default by Tenant. Such restrictive covenants shall run with the land. Landlord agrees to execute within thirty (30) days after request by Tenant a restrictive covenant in form appropriate for recording containing the restrictions contained herein. Tenant shall be responsible for the cost of all such recording fees.

22. California Remedies. Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to

possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

23. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

24. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: President
with a copy to:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: General Counsel
and a copy to:	DLA Piper 203 North LaSalle Suite 1900 Chicago, IL 60601 Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

25. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

26. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall supersede such Second Amendment and Third Amendment in their entirety.

27. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy
Name: _____
Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufy
Name: _____
Title: _____

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Buildings, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Entire Premises.

EXHIBIT B — a site plan of the Entire Premises including the Leased Premises which is outlined in red.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Entire Premises" shall mean the Land including Buildings, the Leased Premises, parking, driveways and such other improvements as may presently exist or be added.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent 8%.

The term "Premises" shall mean the Leased Premises.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves and retains the right to develop the unimproved portion of the Entire Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate TWENTY (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title: Authority and Quiet Possession: Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

C) Tenant is granted a non-exclusive easement for parking and ingress and egress on and over the Entire Premises. Tenant is responsible for all costs associated with the Entire Premises exclusive of Landlord's Building. The location of said easements may be changed at the sole discretion of the Landlord so long as such change does not interfere with Tenant's Permitted Use. Tenant shall be subject to Landlord's License Agreement with Lester Industrial Park and be responsible for all costs related thereto.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$139,166.66 The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, Las Vegas, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which are assessed on any Buildings exclusive of the Entire Premises, Tenant shall pay all such impositions. With respect to Impositions which by law may be paid in installments over a period of time, Tenant shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Tenant has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Landlord's Buildings subject to the Installment Election, Landlord's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Tenant had in fact made the Installment Election. Landlord shall pay all such real property taxes to the Tenant prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Landlord shall pay Tenant in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Exceptions from Impositions; Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Entire Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Entire Premises were the only property of Landlord subject to such taxes, or the income from operation of the Entire Premises were Landlord's only income, as the case may be. In the event of such assessment, Landlord would pay Tenant any such assessment related to any Buildings other than the Leased Premises located on the Entire Premises.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.04. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.04.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Entire Premises including the Common Area but exclusive of Landlord's buildings.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, If Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI
INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Entire Premises (exclusive of the interior of Landlord's Buildings), Leased Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Ten Million Dollars (\$10,000,000) per occurrence and in the aggregate.

B) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations, footings and underground improvements) and personal property as well as all Improvements on the Common area, (Landlord's Buildings excluded), including, but not limited to, signs, outdoor lighting fixtures and fences insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood, but including Builders Risk, to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after thirty (30) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article XIV, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article,

irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Entire Premises which shall include the Common Area, driveways, parking, landscaping, signs, fences, lighting and any and all improvements (exclusive of Landlord's Buildings) in first class condition and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Entire Premises (exclusive of Landlord's Buildings) shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation

and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated biphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.02 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to

commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not, without prior advance notice to Tenant, cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof,

or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. All such signs shall be maintained at Tenant's sole expense.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits: Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as

"Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operates motion picture theatres and has a book net worth of not less than \$30,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII

MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV

CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.03 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

- A) Notice of Intended Taking;
- B) Service of any legal process relating to condemnation of the Premises or improvements;
- C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or
- D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

- A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;
- B) To Landlord, the amount awarded, if any, for severance damages
- C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);
- D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;
- E) To Landlord, any other award which will not reduce the amount which otherwise would be awarded to Tenant; and
- F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt

of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term, Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

- (1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;
- (2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;
- (3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and
- (4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.
- (5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to § 1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of

Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a California corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises or the improvements to the Common Area are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises or the Common Area improvements unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises or the Common Area improvements to the extent then allowed by Law, to substantially the same condition in which the Leased Premises or the Common Area Improvements were immediately prior to such damage.

(B) Damage in Excess of Fifty Percent (50%) If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenantable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.10 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.10 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent.

18.10 Addresses for Notices to Landlord and Tenant

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn: Real Estate Department

To Tenant: Century Theatres of California, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC., a California Corporation

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: V.P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy
Print Name: Raymond W. Syufy
Title: G.P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located in Mountain View, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to the "San Francisco-Oakland-San Jose Average" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter

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imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$30,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

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Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy

Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy

Joseph Syufy
President

(STAMP)

Mountain View

Second Amendment to Lease

This Second Amendment to Lease (this "**Amendment**") dated April 15, 2005 is executed by and between Syufy Enterprises, L.P., a California limited partnership ("**Landlord**") and **Century Theatres, Inc.**, a California corporation ("**Tenant**").

WITNESSETH:

Whereas, Landlord and Century Theatres of California, Inc., a California corporation, entered into a lease dated September 30, 1995, as amended by that certain First Amendment to Lease, dated September 1, 2000 between Landlord and Century Theatres, Inc., a Delaware corporation (as amended, the "**Lease**"), for a motion picture building and related parking (the "**Premises**") located at Century 16, 1500 N. Shoreline Blvd., Mountain View, California; capitalized terms used but not defined herein shall have the meanings set forth in the Lease; and

Whereas, Century Theatres, Inc., a Delaware corporation ("**Century Theatres (DE)**"), succeeded Century Theatres of California, Inc., as Tenant; and

Whereas, Century Theatres (DE) assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

Whereas, Century Theatres, Inc., a California corporation, has succeeded Century Theatres (DE) as Tenant; and

Whereas, Century Theatres, Inc., a California corporation, has assumed all obligations of Century Theatres (DE), as set forth in the Lease; and

Whereas, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

Now, Therefore, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Renewal Option

Section 2.03 of the Lease is hereby deleted in its entirety and shall be replaced by the following:

2.03 Option to Extend Lease Term

- A) Tenant may, at Tenant's option, extend the Term of this Lease for one (1) additional period of one (1) year (the "**Renewal Term**"), subject to all the provisions of this Lease. The Renewal Term shall commence at the expiration of the current Term, and shall terminate on the first (1st) anniversary of the date of commencement of the Renewal Term, unless sooner terminated as provided herein.

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- B) Failure to duly exercise the option for the Renewal Term shall nullify the option.
- C) Tenant's right to the option to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:
 - (1) This Lease being in full force and effect on the last day of the current Term.
 - (2) Compliance with the following procedure for exercising the option:
 - (a) At least nine (9) months before the last day of the current Term, Tenant shall give Landlord written notice exercising the option.
 - (b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option has been exercised.
 - (3) Tenant is not in default at the time of the exercise of the renewal option and at the commencement of the Renewal Term.

B. Landlord's Right to Develop

- 1. The second sentence of Section 2.01(a) of the Lease is hereby deleted in its entirety and replaced with the following:

Tenant expressly agrees that Landlord shall have the right, but shall have no obligation, to demolish, renovate, remodel, reconstruct or otherwise alter or develop in any manner the Entire Premises or any portion thereof for any and all uses beyond the Permitted Use (the "**Development**") without Tenant's consent; provided, however, that the Development shall not materially interfere with the Permitted Use or Tenant's access to the Premises. In addition to developing some or all of the Entire Premises that are outside of the Building, Landlord's Development rights set forth above shall include all roof-top and other exterior communication and advertising rights on or about the Entire Premises, including, without limitation, the exclusive right to install, locate, maintain, use, replace and repair satellite dishes and other roof-top communications equipment on the roof of the Building. In connection with the foregoing, Tenant agrees that Tenant shall have no right to lease or otherwise allow any third party to access or use the roof of the Building or any portion of the Premises for any use other than the Permitted Use.

- 2. Tenant hereby waives all claims of any nature whatsoever Tenant may now have or may hereafter have against Landlord relating in any manner to, directly or indirectly, the Development. Without limiting the generality of the foregoing, Landlord shall not be liable for any damage to persons or property located in, on or about the Premises resulting from or in

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connection with the Development, and Tenant waives and shall defend, indemnify and hold harmless Landlord from any and all claims asserted by Tenant or Tenant's officers, agents, employees, contractors, licensees, invitees or guests arising from damage resulting from or in connection with the Development (except to the extent such damage is caused by the willful act or gross negligence of Landlord; provided, however, that Landlord shall not be liable for any consequential damages, including, without limitation, any claim for loss of profit or business).

C. Surrender

Notwithstanding anything to the contrary in the Lease, upon the expiration or earlier termination of the Lease and promptly following Tenant's receipt of a cost estimate thereof from Landlord, Tenant shall pay to Landlord an amount equal to the cost of demolishing the improvements located on the Premises and removing all surface debris therefrom to Landlord's reasonable satisfaction, as such cost estimate is determined by Landlord in Landlord's sole and absolute discretion; provided, however, that Tenant may remove any or all of Tenant's furniture, fixtures and equipment (the "FF&E") from the Premises, so long as such removal occurs within forty-five (45) days after the Termination Date and Tenant repairs all extraordinary damage caused by such removal. Except as set forth above, from and after the Termination Date, the parties shall have no further rights under the Lease nor further obligations with respect to the Premises, except for any rights or obligations which expressly survive the termination of the Lease in accordance with the provisions thereof or at law.

D. Miscellaneous

1. This Amendment constitutes the entire understanding of the parties with respect to the subject matter hereof and all prior agreements, representations, and understandings between the parties, whether oral or written, are deemed null, all of the foregoing having been merged into this Amendment.
2. This Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease shall remain in full force and effect.
3. This Amendment shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives and successors and assigns.
4. Each party hereby specifically represents and warrants that its execution of this Amendment has been duly authorized by all necessary corporate or other action, and that this Amendment when fully signed and delivered shall constitute a binding agreement of such party, enforceable in accordance with its terms.
5. The parties acknowledge that each party and/or its counsel have reviewed and revised this Amendment and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Amendment or any amendments or exhibits to this Amendment or any document executed and delivered by either party in connection with this Amendment.
6. This Amendment may be executed in counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

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In Witness Whereof, Landlord and Tenant have executed this Amendment to be effective as of the date first written above.

**Syfy Enterprises, L.P.,
a California limited partnership
“Landlord”**

/s/ Raymond Syufy
Raymond Syufy,
Chief Executive Officer

**Century Theatres, Inc.,
a California corporation
“Tenant”**

/s/ Joseph Syufy
Joseph Syufy,
Chief Executive Officer

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FOURTH AMENDMENT TO LEASE

(Mountain View)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

RECITALS:

A. Landlord (then known as Syufy Enterprises, a California limited partnership ("Original Landlord")) and Century Theatres of California, Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in Mountain View, California.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"), and (iii) Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"); the Original Lease as heretofore amended is referred to herein as the "Lease".

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms**. The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness**. The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options**. Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise an

validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2021 and rather than two(2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term, for one (1) Renewal Term of five (5) years.

4. **Rent Reduction.** From the Effective Date through and including _____, 2011 Tenant shall be entitled to a credit against the Base Rent otherwise due under the Lease, in an amount equal to \$_____ per annum (i.e., a credit of \$_____ per month against Minimum Monthly Rent).

5. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Santa Clara typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty); provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

6. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

7. **Damage and Destruction — Repairs by Tenant.** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) **Tenant's Obligation to Repair.** If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section, except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) **Damage in Excess of 20%.** If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in subsection (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

8. **Permitted Assignments and Release.** Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall

not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 6 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

9. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

10. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

11. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

“Gross Sales” shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from “Gross Sales” (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant’s actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called “four-wall deals” with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such “four-wall deals” shall be included in “Gross Sales” under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from “Gross Sales” (if and to the extent previously included in “Gross Sales”).

12. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a “Reassessment”) for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term “Tax Increase” shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;

- (ii) Attributable to the annual inflationary increases in real estate taxes; or
- (iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

13. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial in Tenant's use of the Leased Premises as a motion picture theatre complex, including (without limitation) the conversion to stadium seating of the auditoria (if any) in the Leased Premises. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Any alterations, improvements or changes by Tenant must be consistent with the use and operation of the Leased Premises as a motion picture theatre complex. Tenant shall be required to complete all alterations, improvements and changes undertaken by Tenant. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 5 of this Amendment.

14. Rooftop Equipment and Access. Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission

devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

15. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (i) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.
- (ii) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.
- (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar

concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.

- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.
- (v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

16. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class motion picture theatre complex (whether operated as a so-called "first-run" theatre, a "second-run" theatre, and/or an "art house" theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called "adult" theater complex.

17. **No Obligation To Continuously Operate.** Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

18. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

19. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

20. Termination of Lease and Lessee's Right to Possession. Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

21. Notices. The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication (“notice”) which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant’s Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord’s mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: President

with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601
Attention: David Sickie, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Piano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

22. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

23. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall supersede such Second Amendment and Third Amendment in their entirety.

24. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy

Name: _____

Title: _____

Tenant:

CENTURY THEATRES, INC., a Californic corporation

By: /s/ Raymond W. Syufy

Name: _____

Title: _____

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYCAL PROPERTIES, INC., a California Corporation with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Buildings, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Entire Premises.

EXHIBIT B — a site plan of the Entire Premises including the Leased Premises which is outlined in red.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Entire Premises" shall mean the Land including Buildings, the Leased Premises, parking, driveways and such other improvements as may presently exist or be added.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the Leased Premises.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord shall retain the area presently operated as a cocktail lounge and said cocktail lounge shall not be a part of this lease.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate TWENTY (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate"; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

- A) The Premises may be used for the Permitted Use and for no other purpose.
- B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.
- C) Landlord is granted an easement for parking and ingress and egress on and over the Entire Premises for patrons of the Cocktail Lounge.
- D) As part of this Lease, Tenant is granted all rights under the CC&R's created by the owners of the Contra Costa Shopping Center. Tenant shall be responsible for all costs related to said CC&R's.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$61,000.00. The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco- Oakland-San Jose Average, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which are assessed on any Buildings exclusive of the Entire Premises, Tenant shall pay all such impositions. With respect to Impositions which by law may be paid in installments over a period of time, Tenant shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Tenant has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Landlord's Buildings subject to the Installment Election, Landlord's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Tenant had in fact made the Installment Election. Landlord shall pay all such real property taxes to the Tenant prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Landlord shall pay Tenant in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Exceptions from Impositions; Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Entire Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Entire Premises were the only property of Landlord subject to such taxes, or the income from operation of the Entire Premises were Landlord's only income, as the case may be. In the event of such assessment, Landlord would pay Tenant any such assessment related to any Buildings other than the Leased Premises located on the Entire Premises.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.04. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.04.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Entire Premises including the Common Area but exclusive of Landlord's buildings.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI
INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Entire Premises (exclusive of the interior of the Cocktail Lounge), Leased Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Ten Million Dollars (\$10,000,000) per occurrence and in the aggregate.

B) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations, footings and underground improvements) and personal property as well as all Improvements on the Common area, (the cocktail lounge included), including, but not limited to, signs, outdoor lighting fixtures and fences insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after thirty (30) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article XTV, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article,

irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Entire Premises which shall include the Common Area, driveways, parking, landscaping, signs, fences, lighting and any and all improvements (exclusive of Landlord's Buildings) in first class condition and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Entire Premises (exclusive of interior of Cocktail Lounge) shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition For purposes of this Article VIII, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation

and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated biphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.02 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to

commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not, without prior advance notice to Tenant, cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof,

or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. All such signs shall be maintained at Tenant's sole expense.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as

"Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operates motion picture theatres and has a book net worth of not less than \$30,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII

MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV

CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

- A) Notice of Intended Taking;
- B) Service of any legal process relating to condemnation of the Premises or improvements;
- C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or
- D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation

14.3 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.4 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

- A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;
- B) To Landlord, the amount awarded, if any, for severance damages
- C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);
- D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;
- E) To Landlord, any other award which will not reduce the amount which otherwise would be awarded to Tenant; and
- F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.5 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.6 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt

of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.4 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.5 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of

Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

- A) Tenant is a California corporation in good standing.
- B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.
- C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises or the improvements to the Common Area are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises or the Common Area improvements unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises or the Common Area improvements to the extent then allowed by Law, to substantially the same condition in which the Leased Premises or the Common Area Improvements were immediately prior to such damage..

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.2 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.3 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenantable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII

MISCELLANEOUS

18.1 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.2 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.3 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.4 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.5 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.6 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.7 Binding Effect Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.8 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.9 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.10 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.10 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (*e.g.*, Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent.

18.10 Addresses for Notices to Landlord and Tenant.

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Sycal Properties, Inc.
150 Golden Gate Ave.
San Francisco, CA 94102
Attn: Real Estate Department

To Tenant: Century Theatres of California, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California Corporation

By: /s/Joseph Syufy
Print Name: Joseph Syufy
Title: V.P.

LANDLORD:

SYCAL PROPERTIES, INC.
a California Corporation

By: /s/Alam Steuer
Print Name: Alam Steuer
Title: CFO

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Sycal Properties, Inc. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located in Pleasant Hill, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to the "San Francisco-Oakland-San Jose Average" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent(15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter

Pleasant Hill

imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$30,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

Pleasant Hill

Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYCAL PROPERTIES, INC.
“Landlord”

/s/ Raymond W. Syufy
Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy
Joseph Syufy
President

[STAMP]
Pleasant Hill

Third Amendment to Lease

This Third Amendment to Lease (this "**Amendment**") dated September 29, 2005 is executed by and between Syufy Properties, Inc., a California corporation ("**Landlord**") and Century Theatres, Inc., a California corporation ("**Tenant**").

Witnesseth:

Whereas, Sycal Properties, Inc. and Century Theatres of California, Inc, a California corporation, entered into a lease dated September 30, 1995, as amended by that certain First Amendment to Lease, dated September 1, 2000 between Sycal Properties, Inc. and Century Theatres, Inc., a Delaware corporation and as further amended by that certain Second Amendment to Lease, dated April 15, 2005, between Sycal Properties, Inc. and Century Theatres, Inc., a California corporation (as amended, the "**Lease**"), for a motion picture building and related parking (the "**Premises**") located at Century Pleasant Hill, 2341 Monument Boulevard, Pleasant Hill, California; capitalized terms used but not defined herein shall have the meanings set forth in the Lease; and

Whereas, Century Theatres, Inc., a Delaware corporation ("**Century Theatres (DE)**"), succeeded Century Theatres of California, Inc., as Tenant; and

Whereas, Century Theatres (DE) assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

Whereas, Century Theatres, Inc., a California corporation, has succeeded Century Theatres (DE) as Tenant; and

Whereas, Century Theatres, Inc., a California corporation, has assumed all obligations of Century Theatres (DE), as set forth in the Lease; and

Whereas, Syufy Properties, Inc. has succeeded Sycal Properties, Inc. as Landlord and has assumed all of its obligations as set forth in the Lease; and

Whereas, the parties desire now to amend the Lease as hereinafter provided;

Now, Therefore, the parties hereto mutually agree that, notwithstanding anything to the contrary therein, the Lease shall be amended as follows:

A. Term and Termination

The termination provision, as set forth in that certain Second Amendment to Lease, dated April 15, 2005 is hereby deleted and the Initial Term, as set forth in the lease dated September 30, 1995 shall remain unchanged.

Century Pleasant Hill 5 — Pleasant Hill, California

B. Annual Rent

Annual Base Rent for the remainder of the Initial Term of the Lease shall be fixed at five hundred thirty one thousand seven hundred eighty dollars (\$531,780) per year, payable monthly as set forth in the Lease.

C. Surrender; No Demolition Obligation

Notwithstanding anything to the contrary in the Lease, upon the expiration or earlier termination of the Lease, Tenant shall have no obligation to demolish or pay Landlord to demolish the improvements located on the Premises or to remove any surface debris therefrom.

D. Miscellaneous

This Amendment constitutes the entire understanding of the parties with respect to the subject matter hereof and all prior agreements, representations, and understandings between the parties, whether oral or written, are deemed null, all of the foregoing having been merged into this Amendment.

This Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease shall remain in full force and effect.

This Amendment shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives and successors and assigns.

Each party hereby specifically represents and warrants that its execution of this Amendment has been duly authorized by all necessary corporate or other action, and that this Amendment when fully signed and delivered shall constitute a binding agreement of such party, enforceable in accordance with its terms.

The parties acknowledge that each party and/or its counsel have reviewed and revised this Amendment and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Amendment or any amendments or exhibits to this Amendment or any document executed and delivered by either party in connection with this Amendment.

This Amendment may be executed in counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

[Signatures on following page]

Century Pleasant Hill 5 — Pleasant Hill, California

In Witness Whereof, Landlord and Tenant have executed this Amendment to be effective as of the date first written above.

**Syfy Properties, Inc.,
a California corporation
“Landlord”**

/s/ Raymond Syufy
Raymond Syufy
Chief Executive Officer

**Century Theatres, Inc.,
a California corporation
“Tenant”**

/s/ Joseph Syufy
Joseph Syufy,
Chief Executive Officer

Century Pleasant Hill 5 — Pleasant Hill, California

FOURTH AMENDMENT TO LEASE

(Pleasant Hill)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY PROPERTIES, INC.**, a California corporation ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Sycal Properties, Inc. ("Original Landlord") and Century Theatres of California Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease") for certain premises located in Pleasant Hill, California.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"), and (iii) Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"); the Original Lease as heretofore amended is referred to herein as the "Lease".

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Amended Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Amended Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Amended Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease, the current Term of the Lease shall expire on the date that is twelve (12) months after the Effective Date hereof. Thereafter, the Term of this Lease shall automatically renew on a year-to-year basis unless Tenant delivers written notice to Landlord at least sixty (60) days prior to the then-current expiration date of the Term that Tenant elects not to extend the Term of the Lease.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Contra Costa typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on the determination date.

6. **Damage and Destruction — Repairs by Tenant.** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) Tenant's Obligation to Repair. If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section, except as provided in subsection (B) below. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) If the Leased Premises are damaged or destroyed by fire or other casualty which occurs after the Effective Date hereof, and if the uninsured cost to repair such damage or to restore the Leased Premises (including deductibles) exceeds \$50,000, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises (provided, however, that Landlord may nullify Tenant's election not to undertake the repairs and restoration, within thirty (30) days after receiving Tenant's notice by confirming either (x) that Landlord shall reimburse Tenant for such excess costs within 30 days after the completion of the repairs and restoration and Landlord's receipt of reasonable supporting documentation of such costs or (y) that Landlord waives its right to terminate this Lease pursuant to Section 18 prior to the date which is 12 months after the repairs and restoration are completed), and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, and (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

No assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Intentionally Omitted.**

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

"Gross Sales" shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from "Gross Sales" (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant's actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called "four-wall deals" with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such "four-wall deals" shall be included in "Gross Sales" under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and

other similar devices shall be deducted from "Gross Sales" (if and to the extent previously included in "Gross Sales").

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a "Reassessment") for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term "Tax Increase" shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
- (ii) Attributable to the annual inflationary increases in real estate taxes; or
- (iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. **Alterations by Tenant.** Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant

shall deem necessary or beneficial consistent with Tenant's exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

13. **Rooftop Equipment and Access.** Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder. Notwithstanding the foregoing, Tenant's exclusive rights are subject to any agreements entered into after the Effective Date by Landlord and a licensee or lessee regarding Rooftop Equipment provided that such Rooftop Equipment does not interfere with Tenant's Rooftop Equipment installed pursuant to this Section.

14. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any

demolition of the Leased Premises and site grading and restoration as a result. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

15. **Alternate Rent.** As of the Effective Date and if and for so long as Tenant continues to satisfy the Operating Condition (defined in Section 4 above), then in lieu of Base Rent and Percentage Rent otherwise due under the Lease (but not in lieu of Tenant's share of real estate taxes or any other amounts payable by Tenant under the Lease, which will continue to be due and payable by Tenant as provided in the Lease), Tenant shall pay to Landlord on a monthly basis an amount equal to twelve percent (12%) of Tenant's Gross Sales, as defined in Section 10 above. Such amount shall be paid by Tenant monthly in arrears on or before the thirtieth (30th) day after the end of each calendar month. Within sixty (60) days after the end of each fiscal year, Tenant shall provide a written certification of Tenant's Gross Sales for the prior year, executed by the chief financial officer or controller of Tenant, which shall be subject to the same year-end reporting and reconciliation procedures and the verification and audit rights of Landlord that apply to Percentage Rent under this Lease.

16. **Early Termination — Tenant.** (i) If, during any consecutive twelve (12) calendar month period after the Effective Date (the "Test Period"), the TLCF (defined on Exhibit "A-2" hereto) for the Leased Premises is less than zero, then Tenant shall have the right, to be exercised by written notice to Landlord at any time when the TLCF over the most current trailing twelve (12) month period was negative or within forty-five (45) days after such Test Period, to terminate the Lease as provided below in this Section; provided, however, that such notice and Tenant's right to terminate the Lease as provided in this Section shall be void and ineffective unless Tenant shall have satisfied the Operating Condition (defined in Section 4 above) continuously throughout the Test Period. In order to be effective, Tenant's notice to Landlord under this Section shall include a written certification to Landlord from Tenant's chief financial officer or controller confirming that the TLCF for the Test Period is less than zero. Provided Tenant has satisfied the aforesaid conditions, then this Lease shall be terminated effective as of the date which is thirty (30) days after the termination notice.

(ii) If, at anytime during which Tenant is paying Alternate Rent, Tenant reasonably determines that it is necessary or appropriate to undertake in any prospective 12-month period (the "Cap Ex Test Period"), aggregate capital expenditures (i.e., expenditures required to be capitalized rather than expensed under Tenant's normal income tax accounting procedures) for any repairs and maintenance to the Leased Premises in excess of Fifty Thousand Dollars (\$50,000) which Tenant is otherwise unwilling to make, then, Tenant shall have the right and option to terminate the Lease upon thirty (30) days prior written notice to Landlord, subject to the following terms and conditions: (A) Tenant's notice of termination shall specify in reasonable detail the applicable capital expenditures (the "Cap Ex Projects"), the projected commencement date of each Cap Ex Project and the estimated costs thereof (the "Projected Cap Ex Costs"), prior to incurring same and prior to the commencement of the Cap Ex Test Period; (B) Landlord shall have the ability (but not the obligation) to nullify Tenant's exercise of the termination option set forth in this subclause (ii) by delivering written notice to Tenant within ten (10) business days after the date of its receipt of Tenant's termination notice stating either that (1) Landlord shall reimburse Tenant for the amount by which the actual cost incurred by Tenant (within 30 days of receipt of reasonable documentation of such expense) during the Cap Ex Test

Period for the identified Cap Ex Projects (but not more than the Projected Cap Ex Costs) exceed \$50,000.00, or (2) Landlord waives its right to terminate this Lease pursuant to Section 17 below during the applicable Cap Ex Test Period; (C) if Landlord so nullifies Tenant's purported termination, then Tenant shall be required to undertake the Cap Ex Projects not later than thirty (30) days after the applicable dates specified in Tenant's notice of termination and thereafter to diligently prosecute the Cap Ex Projects to completion, at Tenant's sole cost and expense (subject to reimbursement from Landlord as provided above, if applicable); and (D) if Tenant fails to undertake and complete the identified Cap Ex Projects as aforesaid, then (x) such failure shall constitute a default by Tenant under the Lease, and (y) Landlord's termination rights under Section 17 below will be immediately reinstated (notwithstanding the waiver pursuant to clause (2) above, if applicable).

17. **Early Termination — Landlord.** Landlord shall have the right, at anytime after the Effective Date of this Amendment, to terminate this Lease upon not less than thirty (30) days' prior written notice to Tenant.

18. **Restrictive Covenant.** Landlord covenants and agrees that upon the termination of the Lease for any reason other than the default of the Tenant, no portion of the Entire Premises including the Leased Premises shall be used as a motion picture theater complex for a period of 10 years. The terms and provisions of this Section shall survive the termination of the Lease except that the foregoing restrictive covenant shall not apply if the Lease is terminated as a consequence of a default by Tenant. Such restrictive covenant shall run with the land. Landlord agrees to execute within thirty (30) days after the request by Tenant a restrictive covenant in form appropriate for recording containing the restrictions contained herein. Tenant shall be responsible for the cost of all such recording fees.

19. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

20. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and

remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

21. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Properties, Inc.
150 Pelican Way
San Rafael, California 94901
Attention: President

with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601 94901
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

22. Tenant and Landlord may change their respective addresses for purposes of this Section by giving written notice of such change to the other.

23. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

24. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall replace and restate such Second Amendment and Third Amendment in their entirety.

25. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy _____

Name: _____

Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufy _____

Name: _____

Title: _____

EXHIBIT "A-2"

Definition of Theatre Level Cash Flow

“**Theatre Level Cash Flow**” shall mean all revenues attributable to the Leased Premises over the applicable measurement period, less expenses clearly attributable to the Leased Premises over the same period as reflected on the applicable individual theatre level cash flow statement calculated by the company using consistent methods and policies as that utilized by the company in determining the theatre cash flow on substantially all of its other individual theatre properties.

Revenues shall include box office receipts (less applicable admission tax), concession receipts (less applicable sales tax), game revenues (less applicable sales tax), pay phone revenue, studio and other rental income, ATM revenue, revenue from tickets redeemed at the theatre from internet or other off-site ticketing (but not related fees charged for such service or revenue from unredeemed tickets), and any other revenues attributable to the operations of the theatre.

Expenses shall include all costs necessary to operate the theatre and theatre, including but not limited to film rental, snack bar cost of sales (net of all applicable rebates from vendors), payroll expenses attributable to employees working at the theatre, advertising costs, security expenses, janitorial expenses, maintenance (excluding capitalized expenses), repairs (excluding capitalized expenses), supplies, utilities, telephone expenses, freight, bank and credit card expense, business tax and licenses, cash shortages, base rent, percentage rent, common area maintenance, property taxes, and insurance.

Expenses specifically excluded include charges for off-site administration costs, income taxes, interest, and depreciation & amortization.

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Building, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Premises.

EXHIBIT B — a site plan of the Premises.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Default Rate" shall mean the lesser of (i) the "Prime Rate" plus four percent (4%) or (ii) the highest rate of interest that may lawfully be charged to the party then required to pay interest under this Lease at the Default Rate.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the real property set forth in Exhibit A.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves the right to develop the unimproved portion of the Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate TWENTY (20) thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate, ect."; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$37,500.00 The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco- Oakland-San Jose Average, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.3 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America All payments shall be made by Tenant to Landlord without notice or demand.

4.4 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.5 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which by law may be paid in installments over a period of time, Landlord shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Landlord has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Tenant's premises subject to the Installment Election, Tenant's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Landlord had in fact made the Installment Election.

C) In the event the Premises are separately assessed by the taxing authority, Tenant shall pay all such real property taxes directly to the taxing authority prior to delinquency. In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

D) In the event the Premises are not separately assessed by the taxing authority, Tenant shall pay all such real property taxes to the Landlord prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Proration of Taxes. If the Premises comprise a tax lot or lots with other property owned by Landlord or other parties ("Other Premises") assessed for real estate tax purposes, together with said Other Premises, immediately after the Commencement Date, Landlord and Tenant shall attempt to cause the appropriate taxing authorities to assess the Premises for real estate tax purposes separately from all Other Premises. During any period in which the Premises are assessed for real estate purposes, together with any Other Premises, Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against the Other Premises.

5.03 Exceptions from Impositions: Charges in Lieu of Impositions

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.05. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or

contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.05.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Premises.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Builder's Risk Insurance. During any restorations, alterations or changes in the Premises that may be made by Tenant at a cost in excess of Five Hundred Thousand Dollars (\$500,000) per job, contingent liability and builder's risk insurance upon the entire work on the Premises to the current one hundred percent (100%) replacement value thereof against "all risks" of physical loss or damage to the property insured, excluding earthquake and/or other earth movements and flood.

C) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations and footings), all improvements on the Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance

proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article VIII, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof, and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (C) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction (“Available Proceeds”), shall be disposed as follows:

(1) First. Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets (“grade level”); and

(2) Second. any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party’s insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant’s Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party’s reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord’s written approval shall be first obtained

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Premises in first class condition for a building of like kind and place and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Premises shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term “Hazardous Material” means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. (“CERCLA”); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. (“RCRA”); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls (“PCBs”); and freon and other chlorofluorocarbons.

8.02 Tenant’s Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys’ fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant’s (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the

environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to

safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of,

compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof, or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs and which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant in the Metropolitan Area, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operated motion picture theatres and has a book net worth of not less than \$20,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII

MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV

CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

A) Notice of Intended Taking;

B) Service of any legal process relating to condemnation of the Premises or improvements;

C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or

D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;

B) To Landlord, the amount awarded, if any, for severance damages

C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate without improvements. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);

D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;

E) To Tenant, any other award, which will not reduce the amount which otherwise would be awarded to Landlord; and

F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such

re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an

absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a California corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets.

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises to the extent then allowed by Law, to substantially the same condition in which the Leased Premises were immediately prior to such damage.

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the

reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII

MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand statement, consent notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.12 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's

Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.12 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

18.10 Addresses for Notices to Landlord and Tenant

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn: Real Estate Department

To Tenant: Century Theatres of California, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord

shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the

stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

- A) Terminate any existing subleases or subtenancies; or
- B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California Corporation

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: V.P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy
Print Name: Raymond W. Syufy
Title: G.P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located on Winchester Boulevard in San Jose, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to the "San Francisco-Oakland-San Jose Average" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city

admission taxes, sales and use taxes, and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII"

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$20,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P. "Landlord"

/s/ Raymond W. Syufy

Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC. "Tenant"

/s/ Joseph Syufy

Joseph Syufy
President

[STAMP]

C-24 San Jose

FOURTH AMENDMENT TO LEASE

(Century 24)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

RECITALS:

A. Landlord (then known as Syufy Enterprises, a California limited partnership ("Original Landlord")) and Century Theatres of California Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in San Jose, California.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"), and (iii) Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"); the Original Lease as heretofore amended is referred to herein as the "Lease".

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise and validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) each, followed by one (1) additional and final Renewal Term of four (4) years.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Santa Clara typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closures; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. Damage and Destruction — Repairs by Tenant. Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) **Tenant's Obligation to Repair.** If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section, except as provided in subsection (B) below. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) If the Leased Premises are damaged or destroyed by fire or other casualty which occurs after the Effective Date hereof, and if the cost to repair such damage or to restore the Leased Premises exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, and (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

No assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

"Gross Sales" shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from "Gross Sales" (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant's actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called "four-wall deals" with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such "four-wall deals" shall be included in "Gross

Sales” under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from “Gross Sales” (if and to the extent previously included in “Gross Sales”).

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a “Reassessment”) for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term “Tax Increase” shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

(i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;

(ii) Attributable to the annual inflationary increases in real estate taxes; or

(iii) Attributable to the sale of Landlord’s ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for [real estate taxes] under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord’s interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make nonstructural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant's exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

13. Rooftop Equipment and Access. Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

14. Alterations and Development by Landlord. Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (i) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to

the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.

- (ii) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.
- (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.
- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within the common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages within the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.
- (v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

15. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

16. **Early Termination — Opening of Nearby Theatre.** As used herein, the term "Nearby Theatre" shall mean any motion picture theatre complex that is initially developed and commences operation after the Effective Date hereof and is located at, or within a three (3) mile radius of, the location of the currently-existing "Century 21", "Century 22" and "Century 23" theatres in San Jose, California. If Tenant operates any Nearby Theatre as a motion picture complex any time after the Effective Date, then Landlord and Tenant shall each have the right and option to terminate this Lease, upon not less than thirty (30) days' prior written notice to the other party.

17. **Restrictive Covenant.** Landlord covenants and agrees that if, upon the termination of the Lease for any reason, other than the default of Tenant, Tenant or an affiliate of Tenant is leasing and operating a Nearby Theater as a motion picture theatre complex, then no portion of the Entire Premises including the Leased Premises shall be used or operated as a motion picture theater complex prior to the date which is the first to occur of (i) twenty (20) years from the date the Nearby Theatre opens or (ii) the termination or expiration of the Nearby Theater lease or (iii) the Nearby Theater ceasing to be open to the public and operating as a first-run motion picture theater complex, for reasons other than Excused Closures for a continuous period of eighteen (18) months or more. The terms and provisions of this Section shall survive the termination of the Lease except that the foregoing restrictive covenant shall not apply if the Lease is terminated as a consequence of a default by Tenant. Such restrictive covenant shall run with the land. Landlord agrees to execute within thirty (30) days after request by Tenant a restrictive covenant in form appropriate for recording containing the restrictions contained herein. Tenant shall be responsible for the costs of all such recording fees.

18. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

19. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

20. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any

notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syfy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: President

with a copy to: Syfy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601 94901
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this Section by giving written notice of such change to the other.

21. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms "Leased Premises", "Demised Premises" or "Premises" (and whether or not capitalized) is used herein, it shall be understood to mean the "premises

leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

22. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* - it being the intent of the parties hereto that this Amendment shall replace and restate such Second Amendment and Third Amendment in their entirety.

23. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy
Name: _____
Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufy
Name: _____
Title: _____

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Building, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Premises.

EXHIBIT B — a site plan of the Premises.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Default Rate" shall mean the lesser of (i) the "Prime Rate" plus four percent (4%) or (ii) the highest rate of interest that may lawfully be charged to the party then required to pay interest under this Lease at the Default Rate.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the real property set forth in Exhibit A.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves the right to develop the unimproved portion of the Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate, ect."; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

ARTICLE IV

RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$36,666.67. The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco-Oakland-San Jose Average, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which by law may be paid in installments over a period of time, Landlord shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Landlord has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Tenant's premises subject to the Installment Election, Tenant's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Landlord had in fact made the Installment Election.

C) In the event the Premises are separately assessed by the taxing authority, Tenant shall pay all such real property taxes directly to the taxing authority prior to delinquency. In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

D) In the event the Premises are not separately assessed by the taxing authority, Tenant shall pay all such real property taxes to the Landlord prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Proration of Taxes. If the Premises comprise a tax lot or lots with other property owned by Landlord or other parties ("Other Premises") assessed for real estate tax purposes, together with said Other Premises, immediately after the Commencement Date, Landlord and Tenant shall attempt to cause the appropriate taxing authorities to assess the Premises for real estate tax purposes separately from all Other Premises. During any period in which the Premises are assessed for real estate purposes, together with any Other Premises, Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against the Other Premises.

5.03 Exceptions from Impositions: Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto.

Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.05. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or

contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.05.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Premises.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Builder's Risk Insurance. During any restorations, alterations or changes in the Premises that may be made by Tenant at a cost in excess of Five Hundred Thousand Dollars (\$500,000) per job, contingent liability and builder's risk insurance upon the entire work on the Premises to the current one hundred percent (100%) replacement value thereof against "all risks" of physical loss or damage to the property insured, excluding earthquake and/or other earth movements and flood.

C) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations and footings), all improvements on the Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance

proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article VIII, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof, and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (C) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Premises in first class condition for a building of like kind and place and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Premises shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition For purposes of this Article VIII, the term “Hazardous Material” means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. (“CERCLA”); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. (“RCRA”); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls (“PCBs”); and freon and other chlorofluorocarbons.

8.02 Tenant’s Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys’ fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant’s (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the

environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to

safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of,

compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof, or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX

IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs and which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits: Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant in the Metropolitan Area, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operated motion picture theatres and has a book net worth of not less than \$20,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII

MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV

CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

A) Notice of Intended Taking;

B) Service of any legal process relating to condemnation of the Premises or improvements;

C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or

D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenants obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;

B) To Landlord, the amount awarded, if any, for severance damages.

C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate without improvements. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);

D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;

E) To Tenant, any other award which will not reduce the amount which otherwise would be awarded to Landlord, and

F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively, they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom applying the same first to the payment of the reasonable expenses of such

re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.4 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.5 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an

absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a California corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises to the extent then allowed by Law, to substantially the same condition in which the Leased Premises were immediately prior to such damage..

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other, causes beyond the

reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.12 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's

Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.12 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

18.10 Addresses for Notices to Landlord and Tenant.

Notices to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
 150 Golden Gate Ave.
 San Francisco, CA 94102
 Attn: Real Estate Department

To Tenant: Century Theatres of California, Inc.
 150 Golden Gate Avenue
 San Francisco, CA 94102
 Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord

shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the

stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California Corporation

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: V.P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy
Print Name: Raymond W. Syufy
Title: G.P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located in Napa, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to the "San Francisco-Oakland-San Jose Average" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter

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imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$20,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

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Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy
Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy
Joseph Syufy
President

[STAMP]

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Second Amendment to Lease

This Second Amendment to Lease (this **“Amendment”**) dated April 15, 2005 is executed by and between Syufy Enterprises, L.P., a California limited partnership (**“Landlord”**) and Century Theatres, Inc., a California corporation (**“Tenant”**).

Witnesseth:

Whereas, Landlord and Century Theatres of California, Inc., a California corporation, entered into a lease dated September 30, 1995, as amended by that certain First Amendment to Lease, dated September 1, 2000 between Landlord and Century Theatres, Inc., a Delaware corporation (as amended, the **“Lease”**), for a motion picture building and related parking (the **“Premises”**) located at Cinedome Napa, 825 Pearl Street, Napa, California; capitalized terms used but not defined herein shall have the meanings set forth in the Lease; and

Whereas, Century Theatres, Inc., a Delaware corporation (**“Century Theatres (DE)”**), succeeded Century Theatres of California, Inc., as Tenant; and

Whereas, Century Theatres (DE) assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

Whereas, Century Theatres, Inc., a California corporation, has succeeded Century Theatres (DE) as Tenant; and

Whereas, Century Theatres, Inc., a California corporation, has assumed all obligations of Century Theatres (DE), as set forth in the Lease; and

Whereas, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

Now, Therefore, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Right to Terminate

At any time after the date the movie theatre to be operated by Tenant and to be located in Napa at or about Gasser Drive and West Imola opens for business, either Landlord or Tenant may terminate the Lease by delivering written notice (the **“Termination Notice”**) to the other party, indicating the date on which the Lease shall terminate (the **“Termination Date”**). If either party delivers a Termination Notice to the other party as set forth above, then, as of the Termination Date, the parties shall have no further rights under the Lease nor further obligations with respect to the Premises, with the exception of any rights or obligations which expressly survive the termination of the Lease in accordance with the provisions thereof or at law.

Cinedome Napa — Napa, California

B. Landlord's Right to Develop

1. The second sentence of Section 2.01(a) of the Lease is hereby deleted in its entirety and replaced with the following:

Tenant expressly agrees that Landlord shall have the right, but shall have no obligation, to demolish, renovate, remodel, reconstruct or otherwise alter or develop in any manner the Entire Premises or any portion thereof for any and all uses beyond the Permitted Use (the "**Development**") without Tenant's consent; provided, however, that the Development shall not materially interfere with the Permitted Use or Tenant's access to the Premises. In addition to developing some or all of the Entire Premises that are outside of the Building, Landlord's Development rights set forth above shall include all roof-top and other exterior communication and advertising rights on or about the Entire Premises, including, without limitation, the exclusive right to install, locate, maintain, use, replace and repair satellite dishes and other roof-top communications equipment on the roof of the Building. In connection with the foregoing, Tenant agrees that Tenant shall have no right to lease or otherwise allow any third party to access or use the roof of the Building or any portion of the Premises for any use other than the Permitted Use.

2. Tenant hereby waives all claims of any nature whatsoever Tenant may now have or may hereafter have against Landlord relating in any manner to, directly or indirectly, the Development. Without limiting the generality of the foregoing, Landlord shall not be liable for any damage to persons or property located in, on or about the Premises resulting from or in connection with the Development, and Tenant waives and shall defend, indemnify and hold harmless Landlord from any and all claims asserted by Tenant or Tenant's officers, agents, employees, contractors, licensees, invitees or guests arising from damage resulting from or in connection with the Development (except to the extent such damage is caused by the willful act or gross negligence of Landlord; provided, however, that Landlord shall not be liable for any consequential damages, including, without limitation, any claim for loss of profit or business).

C. Surrender

Notwithstanding anything to the contrary in the Lease, upon the expiration or earlier termination of the Lease and promptly following Tenant's receipt of a cost estimate thereof from Landlord, Tenant shall pay to Landlord an amount equal to the cost of demolishing the improvements located on the Premises and removing all surface debris therefrom to Landlord's reasonable satisfaction, as such cost estimate is determined by Landlord in Landlord's sole and absolute discretion; provided, however, that Tenant may remove any or all of Tenant's furniture, fixtures and equipment (the "**FF&E**") from the Premises, so long as such removal occurs within forty-five (45) days after the Termination Date and Tenant repairs all extraordinary damage caused by such removal. Except as set forth above, from and after the Termination Date, the parties shall have no further rights under the Lease nor further obligations with respect to the Premises, except for any rights or obligations which expressly survive the termination of the Lease in accordance with the provisions thereof or at law.

Cinedome Napa — Napa, California

D. Deletion of Renewal Option

The "Option to Extend Lease Term" set forth in Section 2.03 of the Lease is hereby deleted in its entirety, shall be deemed null and void, and shall be of no further force or effect. Notwithstanding anything to the contrary in the Lease, as of the date of this Amendment, Tenant shall have no further option to extend the term of the Lease.

E. Miscellaneous

1. This Amendment constitutes the entire understanding of the parties with respect to the subject matter hereof and all prior agreements, representations, and understandings between the parties, whether oral or written, are deemed null, all of the foregoing having been merged into this Amendment.

2. This Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease shall remain in full force and effect.

3. This Amendment shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives and successors and assigns.

4. Each party hereby specifically represents and warrants that its execution of this Amendment has been duly authorized by all necessary corporate or other action, and that this Amendment when fully signed and delivered shall constitute a binding agreement of such party, enforceable in accordance with its terms.

5. The parties acknowledge that each party and/or its counsel have reviewed and revised this Amendment and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Amendment or any amendments or exhibits to this Amendment or any document executed and delivered by either party in connection with this Amendment.

6. This Amendment may be executed in counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

[Signatures on following page]

Cinedome Napa — Napa, California

In Witness Whereof, Landlord and Tenant have executed this Amendment to be effective as of the date first written above.

**Syfy Enterprises, L.P.,
a California limited partnership
“Landlord”**

**Century Theatres, Inc.,
a California corporation
“Tenant”**

/s/ Raymond Syufy
Raymond Syufy,
Chief Executive Officer

/s/ Joseph Syufy
Joseph Syufy,
Chief Executive Officer

Cinedome Napa — Napa, California

FOURTH AMENDMENT TO LEASE

(Napa 8)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Landlord (then known as Syufy Enterprises, a California limited partnership ("Original Landlord")) and Century Theatres of California, Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in Napa, California.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"), and (iii) Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"); the Original Lease as heretofore amended is referred to herein as the "Lease".

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise and validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Napa typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. Damage and Destruction — Repairs by Tenant. Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) **Tenant's Obligation to Repair.** If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this (A) and (B), except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) **Damage in Excess of 20%.** If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in Section (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i)

any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

"Gross Sales" shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the

Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from "Gross Sales" (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant's actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called "four-wall deals" with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such "four-wall deals" shall be included in "Gross Sales" under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from "Gross Sales" (if and to the extent previously included in "Gross Sales").

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a "Reassessment") for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term "Tax Increase" shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
- (ii) Attributable to the annual inflationary increases in real estate taxes; or

(iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth (5th) anniversary of the Effective Date, and continuing until the tenth (10th) anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial in Tenant's use of the Leased Premises as a motion picture theatre complex, including (without limitation) the conversion to stadium seating of the auditoria (if any) in the Leased Premises. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Any alterations, improvements or changes by Tenant must be consistent with the use and operation of the Leased Premises as a motion picture theater complex. Tenant shall be required to complete all alterations, improvements or changes that Tenant undertakes. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

13. Rooftop Equipment and Access. Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without

limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

14. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

(a) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.

(b) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.

(c) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.

(d) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any

food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.

(e) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

15. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as a first-class motion picture theatre complex (whether operated as a so-called “first-run” theater and/or an “art house” theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called “adult” theater complex or a so-called “second-run” theater complex.

16. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant’s default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant’s sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord’s sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

17. **Early Termination — Opening of Nearby Theatre.** As of the Effective Date hereof, Tenant is the lessee under a lease agreement (the “Nearby Theatre Lease”) for the motion picture theatre complex located or to be located at the proposed “Hartle Court Development” in Napa, California (the “Nearby Theatre”). As of the date the Nearby Theater opens for business to the public, the Lease shall be terminated

18. **Early Termination — Cancellation of Nearby Theatre Lease.** In the event during any consecutive twelve (12) calendar month period from the Effective Date (the “Test Period”) the Nearby Theatre is not constructed and open for business to the general public, and if the Theatre Level Cash Flow (“TLCF”), as defined in Exhibit “A-3” hereto, for the Leased Premises over the Test Period is less than zero, then Tenant shall have the right, to be exercised by written notice to Landlord at any time when the most current trailing twelve (12) month period was negative or within forty-five days after such Test Period, to terminate the Lease as provided below in this Section 18; provided, however, that Tenant shall have concurrently or previously terminated the Nearby Theatre Lease; and provided further, that such notice and Tenant’s right to terminate the Lease for the applicable Test Period shall be void and ineffective unless Tenant shall have satisfied the Operating Condition (defined above) continuously

throughout the applicable Test Period. Further, in order to be effective, Tenant's notice to Landlord under this Section 18 shall include a written certification to Landlord from Tenant's chief financial officer or controller confirming that the TLCF for the Test Period is less than zero. Provided Tenant has satisfied the aforesaid conditions, then this Lease shall be terminated effective as of the date which is thirty (30) days after the termination notice.

19. **Restrictive Covenant.** Landlord covenants and agrees that if, upon the termination of the Lease for any reason, other than the default of Tenant, Tenant or an affiliate of Tenant is leasing and operating a Nearby Theater pursuant to the Nearby Theater Lease, then no portion of the Entire Premises including the Leased Premises shall be used or operated as a motion picture theater complex prior to the date which is the first to occur of (i) ten (10) years from the date that the Nearby Theater is or was first open to the general public and operated as a motion picture theater complex or (ii) the termination or expiration of the Nearby Theater Lease or (iii) the Nearby Theater ceasing to be open to the public and operating as a first-run motion picture theater complex, for reasons other than Excused Closures for a continuous period of eighteen (18) months or more. The terms and provisions of this Section 19 shall survive the termination of the Lease except that the foregoing restrictive covenant shall not apply if the Lease is terminated as a consequent of a default by Tenant. Such restrictive covenant shall run with the land. Landlord agrees to execute within thirty (30) days after request by Tenant a restrictive covenant in form appropriate for recording containing the restrictions contained herein. Tenant shall be responsible for the costs of all such recording fees.

20. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

21. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all

the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

22. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease

shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: President
with a copy to:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: General Counsel
and a copy to:	DLA Piper 203 North LaSalle Suite 1900 Chicago, IL 60601 Attention: David Sickle, Esq.
To Tenant:	Century Theatres, Inc. c/o Cinemark, Inc. 3900 Dallas Parkway Suite 500 Plano, TX 75093 Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

23. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

24. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that

this Amendment shall replace and restate such Second Amendment and Third Amendment in their entirety.

25. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the "Lease" shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufi
Name: Joseph Syufi
Title: President

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufi
Name: Raymond W. Syufi
Title: Chief Executive Officer

EXHIBIT "A-3"

Definition of Theatre Level Cash Flow

"**Theatre Level Cash Flow**" shall mean all revenues attributable to the Leased Premises over the applicable measurement period, less expenses clearly attributable to the Leased Premises over the same period as reflected on the applicable individual theatre level cash flow statement calculated by the company using consistent methods and policies as that utilized by the company in determining the theatre cash flow on substantially all of its other individual theatre properties.

Revenues shall include box office receipts (less applicable admission tax), concession receipts (less applicable sales tax), game revenues (less applicable sales tax), pay phone revenue, studio and other rental income, ATM revenue, revenue from tickets redeemed at the theatre from internet or other off-site ticketing (but not related fees charged for such service or revenue from unredeemed tickets), and any other revenues attributable to the operations of the theatre.

Expenses shall include all costs necessary to operate the theatre and theatre, including but not limited to film rental, snack bar cost of sales (net of all applicable rebates from vendors), payroll expenses attributable to employees working at the theatre, advertising costs, security expenses, janitorial expenses, maintenance (excluding capitalized expenses), repairs (excluding capitalized expenses), supplies, utilities, telephone expenses, freight, bank and credit card expense, business tax and licenses, cash shortages, base rent, percentage rent, common area maintenance, property taxes, and insurance.

Expenses specifically excluded include charges for off-site administration costs, income taxes, interest, and depreciation & amortization.

UNION LANDING ENTERTAINMENT CENTER LEASE

BY AND BETWEEN

DYER TRIANGLE LLC

CALIFORNIA LIMITED LIABILITY COMPANY

LANDLORD

AND

CENTURY THEATRES, INC.

DELAWARE CORPORATION

TENANT

UNION LANDING ENTERTAINMENT CENTER LEASE

THIS LEASE AGREEMENT (referred to herein as the "Lease") is made this 10th day of April, 1998, by and between Dyer Triangle LLC, a California Limited Liability Company, ("Landlord"), and Century Theatres, Inc., a Delaware Corporation ("Tenant").

ARTICLE I

EXHIBITS AND BASIC LEASE TERMS

Section 1.01. Attachments to Lease and Exhibits:

EXHIBIT A — Site Plan for "Entire Premises" commonly known as the "Union Landing Entertainment Center" showing the location of the Tenant's Building outlined in red.

Section 1.02. Basic Lease Terms and Definitions.

1.02.1. "Entire Premises" shall mean "Union Landing Entertainment Center" located in the City of Union City, State of California.

1.02.2. "Commencement date" shall mean the date which is the earlier of (i) nine months after Tenant has received a building permit for the construction of Tenant's Building or (ii) the date on which Tenant opens for business in the Premises.

1.02.3. "Term" shall mean Initial Term of twenty (20) years with two five (5) year options and one four (4) year option.

1.02.4. Tenant's Trade Name. Century Theatres.

1.02.5. Floor Area. Approximately 96,000 square feet.

1.02.6. Minimum Rent.

<u>Dollars/ Years</u>	<u>Dollars/Month</u>	<u>Dollars/sq. ft.</u>	<u>Years</u>
\$2,016,000.00	\$168,000.00	\$21.00	1-5
\$2,160,000.00	\$180,000.00	\$22.50	6-10
\$2,364,000.00	\$192,000.00	\$24.00	11-15
\$2,448,000.00	\$204,000.00	\$25.50	16-20
\$2,592,000.00	\$216,000.00	\$27.00	21-25
\$2,736,000.00	\$228,000.00	\$28.50	26-30
\$2,880,000.00	\$240,000.00	\$30.00	31-34

1.02.7. Percentage Rent. 8%

1.02.8. Premises. Theatre Parcel.

1.02.9. Use of Premises. A Motion Picture Theatre Complex.

1.02.10. Security Deposit. None.

ARTICLE II

LEASED PREMISES

Section 2.01. Leased Premises.

Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord, those certain premises and improvements located in the Entire Premises, consisting of approximately 96,000 square feet of gross leasable area, (the "Premises" or "Leased Premises"). "Area" means all areas designated by Landlord for the exclusive use of Tenant. The boundaries and location of the Premises are depicted on the site plan of the Entire Premises, which is attached hereto as Exhibit A (the "Site Plan") and shall be deemed to include the entryway to such building. The site plan and shape and dimensions of the area of the Premises are depicted on Exhibit A.

Section 2.02. Reservations.

Landlord reserves the right at any time to make alterations or additions and to construct other buildings, improvements, alterations or additions in the Entire Premises. These alterations and additions however shall not materially impede reasonable access to the Premises. Easements for light and air are not included in the Premises.

UNION CITY ENTERTAINMENT CENTER

Landlord further reserves the right to go on the roof of the Premises for the purpose of effecting certain items of repair and maintenance as provided in this Lease.

Section 2.03. Right to Relocate.

Landlord reserves the right at any time to make changes to the various buildings, parking, and other common areas as shown on the Site Plan.

Section 2.04. Conditions of Record.

Landlord's Title is subject to: (a) the effect of any covenants, conditions, restrictions, easements, development agreements, mortgages or deeds of trust, ground leases, rights of way, and other matters or documents of record now or hereafter recorded against Landlord's title, (b) the effects of any zoning laws of the city, county and state where the Entire Premises is situated, and (c) general and special taxes and assessments not delinquent. Tenant agrees (1) that as to its leasehold estate it, and all persons in possession or holding under it, will conform to and will not violate said matters of record, and (ii) that this Lease is and shall be subordinate to said matters of record and any amendments or modifications thereto.

ARTICLE III

TERM

Section 3.01. Commencement of Term.

This Lease shall be effective upon mutual execution. The term of this Lease the ("Term") shall commence as specified in Section 1.02.2 and shall continue for the term specified in Section 1.02.3 unless sooner terminated in accordance with the provisions of this Lease. The term shall commence from the first day of the month following the Rent Commencement Date. Upon request of Landlord, Tenant shall execute a written confirmation of the commencement of the Term and the Rent Commencement Date upon a form to be supplied by Landlord.

Section 3.02. Extension of Term.

Tenant shall have the right to extend the term of this Lease for two (2) additional five (5) year period(s) and one (1) additional four (4) year period under the same terms and conditions as the original Lease, except for the amount of Minimum Rent. It is understood that this option is unique to Century Theatres, Inc., and upon any assignment or subletting without Landlord's consent, the option shall be rendered null and void. If Tenant is in default on the date of giving the option notice, the option notice shall be totally ineffective, or if Tenant is in default on the date the extended term is to commence, the extended term shall not commence and this Lease shall expire at the end of the initial term.

In order to exercise such option to renew or extend this Lease, Tenant shall give to Landlord notice, in writing, of its intention to do so at least one hundred eight (180) days prior to then applicable expiration date of this Lease, and if Tenant shall fail to timely give such notice, all rights and privileges as granted to Tenant to renew or extend this Lease shall thereupon be null and void.

ARTICLE IV

RENT

Section 4.01. Rent Commencement Date.

Tenant's obligation to pay Minimum Rent and Percentage Rent under this Lease shall commence on the first to occur of (the "Rent Commencement Date"): (a) the date Tenant first opens for business to the public in the Premises; or (b) nine months after Tenant has obtained a building permit for the construction of Tenant's Building. If the Rent Commencement Date does not occur on the first day of the month, Tenant shall pay rent for the fractional month on a per diem basis (calculated on the basis of a thirty day month) until the first day of the month next succeeding the date Tenant's obligation to pay rent commences. The Minimum Rent shall be paid thereafter in equal monthly installments on or before the first day of each month in advance without demand or offset. The Minimum Rent to be paid by Tenant during the Term of this Lease is set forth in Section 1.02.6

Section 4.02. Percentage Rent

In addition to the payment of Annual Minimum Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which eight percent (8%) of the Gross Receipts for such Lease year exceeds the Annual Minimum Rent which is payable for such Lease Year. For the purpose of computing the Annual Percentage for the first Lease Year, the Gross Receipts for the partial calendar month, if any, preceding the first Lease Year shall be includable in the Gross Receipts for the first Lease Year.

Within sixty (60) days following the end of each Lease Year, Tenant shall deliver to Landlord the written statement required by Section 6.02 of this Lease showing Tenant's Gross Receipts for the preceding lease year. Tenant shall at the time of delivery of the written statement pay to Landlord any Percentage Rent due for such Lease Year.

Section 4.03. Gross Receipts Defined.

"Gross Receipts" means (a) the entire amount charged for the full price at the time of the initial transaction for all merchandise sold or delivered or services rendered by Tenant whether for cash or credit; (b) the gross amount received or charged by Tenant for merchandise sold or services rendered pursuant to orders received by telephone,

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mail, house to house, or by other canvassing, and attributable to the Premises whether or not filled elsewhere; and (c) all gross income of Tenant from any operation in, at, from or through the use of the Premises. Excluded from the calculation of "Gross Receipts" are (i) cash refunded or credit allowed on merchandise returned by customers; (ii) sales taxes, excise taxes, other similar taxes; (iii) proceeds from sales of fixtures, equipment, or property which are not stock-in-trade; (iv) sales to employees representing discounts or compensation benefits and for which Tenant realizes no monetary profit in an amount not to exceed two percent (2%) of Gross Receipts and (v) EBF passes.

Section 4.04. Additional Rental.

All other sums required to be paid by Tenant to Landlord pursuant to this lease in addition to Minimum Rent and Percentage Rent, whether or not designated as rent and additional rent, unless otherwise specified. Rent for any period which is less than one (1) month shall be a prorated portion of the monthly rent installment based upon a thirty (30) day month.

Section 4.05. Late Payment.

If the Tenant fails to pay the Minimum Rent or any installment thereof or Percentage Rent, if any, or any other additional rent due under this Lease within five (5) days after such Rent has become due, both Tenant and Landlord agree that Landlord will incur additional expenses consisting of extra collection efforts, handling costs and potential impairment of credit on loans which may be secured by this Lease. Both parties agree that should Tenant fail to pay its Rent, Landlord is entitled to compensation for detriment caused by the failure, but that it is extremely difficult and impractical to ascertain the extent of the detriment. The parties therefore agree that should Tenant fail to pay any Rent due hereunder within five (5) days after the same becomes due, Landlord shall be entitled to recover from Tenant five percent (5%) of the amount past due as liquidated damages. Such past due amounts shall also bear interest at the maximum rate allowed by law from the date due until paid. Tenant further agrees to pay Landlord any costs incurred by Landlord in the collection of such past due Rent including, but not limited to, fees of an attorney and/or collection agency. Nothing herein contained shall limit any other remedy of Landlord under this Lease. Landlord shall also have the right to require Tenant to pay any past due sums by cashier's check or money order.

Further, should Tenant fail to pay Rent or any other charges due hereunder in the time periods set forth herein, two (2) or more times during any calendar year of the Term, Landlord may require Tenant to thereafter pay Rent in quarterly installments in advance for the balance of the Term.

ARTICLE V

CONSTRUCTION OF LEASED PREMISES

Section 5.01. Landlord's and Tenant's Obligations.

(a) Landlord's Obligation:

Subject to delay as provided in this Lease, Landlord, at its own cost and expense, shall develop the building pad in accordance with plans and specifications prepared by Tenant or Tenant's architect, including the design and construction of all utility lines to the boundary of the Premises in adequate size to service Tenant's requirements.

(b) Tenant's Obligation:

Tenant shall construct the theatre building and improvements in accordance with plans and specifications prepared by Tenant. Any work to be performed by Tenant and any permits, fees or applications for such work shall be performed or obtained by Tenant at its sole cost and expense (collectively, "Tenant's Work"). Tenant shall pay for any equipment or work to be installed in or constructed on the Premises by Landlord other than Landlord's Work prior to commencement of construction or installation of such additional items.

(c) Tenant's Allowance.

Landlord agrees to provide Tenant with an improvement allowance of up to a maximum of Eight Million One Hundred Sixty Thousand (\$8,160,000.00) dollars (\$85 per square foot) ("Tenant Allowance"). Tenant shall pay any difference between the total Tenant building and improvement cost less the Tenant Allowance. Landlord agrees that it shall pay to Tenant, or at Tenant's direction, to Tenant's contractor, within fifteen (15) days following Landlord's receipt of conditional lien waivers signed by its contractor, in form reasonably sufficient to waive lien rights in Alameda County, California, an amount equal to the Tenant Allowance multiplied by the percentage of work completed as of the date of the lien waivers, less any installments of Tenant Allowance already paid. If the total contract for Tenant's Work exceeds Tenant's Allowance, Landlord shall only be required to pay its pro-rata share which shall be the ratio of Tenant's Allowance to the total of Tenant's Work. If Landlord disputes any portion of the request for payment by Tenant due to faulty or incomplete work, then Landlord shall withhold a sum which, in Landlord's opinion would be required to correct or complete the disputed work. In this event, Landlord shall submit a written "punch list" to Tenant.

Anything above to the contrary notwithstanding, Landlord shall have no obligation to pay any portion of the construction allowance if Tenant is then in default of any of the terms and provisions of this Lease.

Section 5.02. Possession.

Upon substantial completion by Landlord of Landlord's Work on the Premises, Landlord shall deliver the Premises to Tenant. Tenant waives any right or claim against the Landlord for any cause directly or indirectly, arising out of the condition of the Premises, appurtenances thereto, the improvements thereon and the equipment

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thereof. Tenant shall save and hold harmless the Landlord from liability as provided in this Lease. Landlord shall not be liable for any latent or patent defects therein.

Section 5.03. Commencement of Construction and Completion.

Prior to commencement of Tenant's Work, Tenant shall notify Landlord in writing of the date Tenant will commence construction. Tenant's contractor shall commence the construction of Tenant's Work promptly upon possession of the Premises by Tenant and shall diligently pursue such construction to completion. Tenant shall record within ten (10) days of completion of Tenant's Work, a valid Notice of Completion and thereafter deliver to Landlord prior to opening for business a certified copy of such Notice along with final lien releases for all contractors, subcontractors, materialmen and suppliers covering all improvements and work performed by Tenant and/or Tenant's contractor on the Premises.

Section 5.04. Delay in Possession

Landlord shall not be liable for failure to deliver possession of the Premises to Tenant. If Landlord fails to deliver possession of the Premises on or before the expiration of two (2) years from the date of lease execution (subject to extension for any force majeure or inability to obtain financing), either party may terminate this Lease by giving thirty (30) days written notice to the other party. Thereafter, neither party shall have any further liability to the other in connection with this Lease.

ARTICLE VI

RECORDS AND BOOKS OF ACCOUNT

Section 6.01. Tenant's Records.

Tenant shall maintain and keep on the Premises or at Tenant's principal office in California for a period of not less than three (3) years following the end of each year during the Term, adequate records which show Gross Receipts, inventories and receipts of merchandise at the Premises, and daily receipts from all sales and other transactions on the Premises by Tenant and any other persons conducting any business upon the Premises. Tenant shall record at the time of sale, in the presence of the customer, all receipts from sales or other transactions, whether for cash or credit, in a cash register or in cash registers having a cumulative total which shall be sealed in a reasonable manner, and having such other reasonable features as may be appropriate or required in order to properly account for and record all sales or other transactions in and from the Premises. If upon an audit of Tenant's books and records by Landlord, Landlord determines that Tenant's manner of recording sales is inadequate, Tenant agrees to adopt such measures as Landlord may reasonably request to correct such inadequacies. Tenant further agrees to keep on the Premises or at Tenant's principal office in California for at least three (3) years following the end of each year during the Term all pertinent original sales records. Original sales records may include any or all of the following: (a) cash register tapes, including tapes from temporary registers; (b) serially numbered sales slips; (c) computer printouts and computerized sales slips; (d) the originals of all mail orders at and to the Premises; (e) the original records of all telephone orders at and to the Premises; (f) settlement report sheets of transactions with subtenants, concessionaires and licensees; (g) the original records showing that merchandise returned by customers was purchased at the Premises by such customers; (h) memorandum receipts or other records of merchandise taken out on approval; (i) records of inventory purchases; (j) such other sales records, if any, which would normally be examined by an independent accountant pursuant to generally accepted auditing standards in performing an audit of Tenant's Gross Receipts; and (k) the records specified in (a) to (j) above for subtenants, assignees, concessionaires or licensees of Tenant.

Section 6.02. Reports by Tenant.

Tenant shall submit to Landlord on or before the sixtieth (60th) day following each lease year during the Term hereof at the place then fixed for the payment of rent, or at such other place designated by Landlord, a written statement signed by Tenant, and certified by it to be true and correct, showing in reasonable, accurate detail, the amount of Gross Receipts for each preceding year.

Tenant shall submit to Landlord on or before the sixtieth (60th) day following the end of each lease year at the place then fixed for the payment of rent, a written statement signed by Tenant, and certified to be true and correct showing in reasonably accurate detail satisfactory in scope to Landlord, the amount of Gross Receipts during the preceding calendar year. At Landlord's option, the written statement shall be duly certified to Tenant and Landlord by independent certified public accounts of recognized standing. The accounting statement referred to in this Section 6.02 shall be in such form and style and contain such details and breakdown as the Landlord may reasonably require.

If Tenant fails to timely submit to Landlord either the monthly or annual written statement described in this Section 6.02, Tenant shall pay to Landlord, as additional rent and without limiting any other remedy Landlord may have against Tenant under this lease as a result of this breach, a \$100.00 (increased each year according to the Index) charge for each and every month that the Tenant fails to timely submit such written statement. Alternatively, Landlord shall have the right, upon five (5) days written notice, to audit Tenant's records at Tenant's expense.

Section 6.03. Annual Balance Sheet

Tenant shall provide Landlord, whenever reasonably requested by Landlord, a current annual balance sheet for Tenant's business at the Premises, either certified by Tenant or if Tenant is a corporation, by Tenant's chief financial officer, to be true and correct or accompanied by a report of an independent certified public accountant.

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ARTICLE VII

AUDIT

Section 7.01. Right to Examine Books.

The acceptance by Landlord of payments of Percentage Rent shall be without prejudice to Landlord's right to examine Tenant's books and records concerning Gross Receipts from the Premises.

Section 7.02. Audit.

As its option, Landlord may cause, at any reasonable time and upon five (5) days prior written notice to Tenant, a complete audit to be made of Tenant's entire business affairs and records relating to the Premises for the period covered by any statement issued by the Tenant in accordance with Section 6.02. If such audit discloses that Tenant has under-reported Gross Receipts by more than three percent (3%) for such period, Tenant shall promptly pay to Landlord within ten (10) days the cost of its audit and any deficiency in amounts owed as disclosed by the audit. The deficiency shall be considered a late payment pursuant to Section 4.06. In the event that Tenant is in default of this Lease by under-reporting Gross Receipts by more than three percent (3%) as determined by two successive audits, Landlord may terminate this Lease upon five (5) days written notice to Tenant. In such event, Landlord shall have all remedies set forth in Section 22.02.

ARTICLE VIII

TAXES

Section 8.01. Real Property Taxes.

Tenant agrees to pay its pro rata share of all general and special real property taxes and assessments and governmental levies and charges of any and every kind, nature and sort whatsoever, ordinary and extraordinary, foreseen and unforeseen, and substitutes therefor or supplements thereto, including the cost to Landlord of any appeals or contests of any taxes or assessments, except any inheritance, estate, succession, transfer or gift tax imposed on Landlord or any income tax specifically payable by Landlord as a separate tax-paying entity without regard to Landlord's income source as arising from or out of the Entire Premises (collectively "Real Property Taxes"), which may be levied or assessed by any lawful authority against the Entire Premises applicable to the period from the commencement of the Term until the expiration or sooner termination of this Lease. Tenant's pro rata share shall be apportioned according to the floor area of the Premises as it relates to the total leasable floor area of the Building or buildings located within the Entire Premises (including the Premises). Notwithstanding the foregoing provisions, if the Real Property Taxes are not levied and assessed against the Entire Premises by means of a single tax bill (i.e., if the Entire Premises is separated into two (2) or more separate tax parcels for purposes of levying and assessing the Real Property Taxes), then, at Landlord's option, Tenant shall pay Tenant's pro rata share of all Real Property Taxes which may be levied or assessed by any lawful authority against the land and improvements of the separate tax parcel on which the Building containing the Premises is located. Tenant's pro rata share under such circumstances shall be apportioned according to the floor area of the Premises as it relates to the total leasable floor area of the Building or buildings situated in the separate parcel in which the Premises are located.

All Real Property Taxes for the tax year in which the Term commences and for the tax year in which this Lease terminates shall be apportioned and adjusted so that Tenant shall not be responsible for taxes and assessments for a period of time occurring prior to the time the Term commences or subsequent to the Term.

The amount to be paid pursuant to the provisions of this Section 8.01 shall be paid monthly in advance without demand or offset as estimated by Landlord based on the most recent tax bills and estimates or reappraised values (if reappraisal is to occur), commencing with the month (or partial month on a prorated basis if such be the case) that the Term commences.

If at any time during the Term, a tax, fee or excise is levied or assessed by any political body against Landlord on account of rent payable to Landlord hereunder, the square footage of the Premises, the act of entering into this Lease or the occupancy of Tenant or any other tax however described or any tax based on or measured by expenditures made by Tenant on behalf of Landlord, including the so-called value added tax, such tax, fee or excise shall be considered "Real Property Taxes" for purposes of this Section 8.01, and shall be payable in full by Tenant. At Landlord's option, such taxes, fees or excises shall be payable monthly in advance on an estimated basis as provided in this Section 8.01 or shall be payable within ten (10) days after Tenant's receipt of the tax bill therefor from Landlord.

Section 8.02. Increase in Taxes.

In addition to the Real Property Taxes described above in Section 8.01, Tenant shall pay one hundred percent (100%) of any increase in Real Property Taxes as a result of any Tenant's Work or any other leasehold improvements, alterations or changes made by Tenant to the Premises during the Term. Tenant shall reimburse Landlord promptly upon demand.

Section 8.03. Personal Property Taxes.

Tenant shall pay prior to delinquency all federal, municipal, county or state taxes, charges, assessments and fees assessed during the Term against any leasehold interest or personal property of any kind, owned by or placed in, upon or about the Premises by Tenant.

UNION CITY ENTERTAINMENT CENTER

**ARTICLE IX
SECURITY DEPOSIT**

Intentionally deleted.

**ARTICLE X
CONDUCT OF BUSINESS BY TENANT**

Section 10.01. Use of Premises.

Tenant shall use the Premises solely for the use and under the trade name specified in Sections 1.02.9 and 1.02.4, respectively, herein, and for no other purpose. The term "Use" shall mean the operation of a motion picture theatre complex, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games, operation of concession stands, sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

Tenant shall not (a) do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other occupants of the Entire Premises or injure or annoy them, (b) cause, maintain or permit any nuisance in, on or about the Premises, (c) use or allow the Premises to be used for any unlawful purpose, (d) commit or allow to be committed any waste in or upon the Premises, (e) display or allow carts, pallets or similar items owned by or within the control of Tenant or Tenant's merchandise to be stored or to remain outside the defined exterior walls and permanent doorways of the Premises, (f) install any exterior lighting, amplifier or similar devices, or use in or about the Premises any advertising medium or device which may be heard or seen outside the Premises, such as flashing lights, search lights, loud speakers, phonographs or radio broadcasts, (g) permit to be conducted any sale by auction in, upon or from the Premises whether voluntary, involuntary, pursuant to any assignment for the payment of credits pursuant to any bankruptcy or any other insolvency proceedings, or any distress or fire or bankruptcy or going-out-of-business sale, or (h) conduct any sidewalk sale. Tenant shall at all times keep the Premises in a neat and attractive appearance.

Tenant shall not use, or permit the Premises, or any part thereof, to be used for any purposes other than the purposes for which the Premises are hereby leased. No gaming machines shall be permitted on the Premises. No use shall be made or permitted to be made of the Premises, nor acts done, which will increase the existing rate of insurance upon the building or the Entire Premises, or cause a cancellation of any insurance policy covering the building or the Entire Premises or any part thereof. Tenant shall not sell or permit to be kept, used, stored or sold in or about the Premises any article which may be prohibited by standard form fire insurance policies. Tenant, at its sole cost, shall comply with any and all laws concerning the Premises or Tenant's use of the Premises, including, without limitation, the obligation at Tenant's cost to alter, maintain or improve the Premises in compliance with and conformity with all laws relating to the condition, use or occupancy of the Premises during the term (including the Americans With Disabilities Act). Tenant shall also comply with the requirements of any insurance organization or company necessary for the maintenance of the fire and public liability insurance described in this Lease covering the building and its appurtenances. If Tenant's use of the Premises results in a rate increase for the building or the Entire Premises, Tenant shall pay within ten (10) days of billing from Landlord, as additional rent, a sum equal to the additional premium caused by such rate increase.

Section 10.02. Operation of Business.

Tenant shall open for business in the Premises no later than the Rent Commencement Date and shall thereafter operate continuously for business to the public in the Premises. Tenant shall operate one hundred percent (100%) of the Premises during the entire Term with due diligence and efficiency so as to maximize the Gross Receipts which may be produced by Tenant's business therein. Tenant shall carry at all times in the Premises a stock of merchandise of such size, character and quality as shall be reasonably designed to produce the maximum return to Landlord and Tenant. Tenant shall conduct its business in the Premises during the usual and customary days and hours for such type of business, or during times designated by Landlord for other tenants at the Entire Premises. In the latter event, Landlord will notify Tenant in writing of the designated Entire Premises days and hours. Tenant's obligation to continuously operate its business in the Premises shall not apply if the Premises should be closed and the business of Tenant temporarily discontinued therein for not more than three (3) days out of respect to the memory of any deceased officer or employee of Tenant, or the relative of any such officer or employee. Tenant shall install and maintain at all times displays of merchandise in the display windows (if any) for the Premises. Tenant shall keep the display windows and signs, if any, in the Premises well lighted during the hours from sundown to 11:00 p.m.

In the event Tenant fails to take possession of the Premises or to open for business fully fixtured, stocked and staffed by the Rent Commencement Date, or fails to fully operate its business in the Premises at any time during the term in accordance with this Section 10.02, then Landlord, in addition to any and all remedies otherwise provided in this Lease, shall have the right to collect a sum equal to the greater of (i) twice the Minimum Rent per day, or (ii) \$100.00 for each and every day after the Rent Commencement Date that Tenant shall fail to be open for business in the Premises in accordance with the terms of this Lease. This additional rent is intended to compensate Landlord for loss of Rent that may have been earned during the period Tenant is not open for business, for damages suffered by the Landlord to the Entire Premises as a whole by reason of Tenant's not being open and for additional costs and expenses that Landlord may incur by reason of increased administrative expenses and security costs for the Entire Premises. Tenant acknowledges and agrees that Landlord is executing this Lease in reliance on Tenant's covenant and obligation to continuously operate its business in the Premises in accordance with this Lease and that such obligation and covenant to the Landlord is a material element of consideration inducing Landlord to execute this Lease. The foregoing provision for additional rent shall not apply during any temporary closure for a maximum of three (3) days as set forth above, or due to casualty damage or condemnation (in which either event Tenant shall

recommence the conduct of its business in accordance with the terms of this Lease within the time periods specified in this Lease after restoration and redelivery of the Premises to the Tenant).

Section 10.03. Competition.

During the Term, neither Tenant, nor any entity owned or controlled directly or indirectly by Tenant, its partners, shareholders or directors, shall, without the prior written consent of Landlord, directly or indirectly engage in any similar or competing business with that to be operated by Tenant in the Premises within a radius of two (2) miles from the outside boundary of the Entire Premises.

Section 10.04. Storage, Office Space.

Tenant shall warehouse, store and/or stock in the Premises, only such goods, wares and merchandise as Tenant intends to offer for retail sale at, in, from or upon the Premises. This shall not preclude occasional emergency transfers of merchandise to the other stores of Tenant, if any, not located in the Entire Premises. Tenant shall use for office, clerical or other non-selling purposes only such space in the Premises as is from time to time reasonably required for Tenant's business in the Premises.

Section 10.05. Compliance with Environmental Laws.

Tenant at all times and in all respects shall comply with all federal, state and local laws, ordinances and regulations ("Hazardous Materials Laws") relating to industrial hygiene, environmental protection or the use, generation, manufacture, storage, disposal or transportation of any hazardous, toxic, contaminated or polluting materials, substances or wastes, including, without limitation, oil or other petroleum products, flammable explosives, asbestos, or any "hazardous substances," "hazardous wastes," "hazardous materials" or "toxic substances" regulated under any Hazardous Material Law (collectively, "Hazardous Materials"). Tenant at its own expense shall procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required for Tenant's use of the Premises. In all respects, Tenant shall handle, treat, deal with, manage and dispose of any and all Hazardous Materials in total conformity with all applicable Hazardous Materials Laws and prudent industry practices. Upon expiration or earlier termination of the term of the Lease, Tenant shall cause all Hazardous Materials to be removed from the Premises and transported for use, storage, or disposal in accordance and compliance with all applicable Hazardous Materials Laws. If Tenant fails to do so, Landlord may remove such Hazardous Materials at Tenant's expense.

If at any time it reasonably appears to Landlord that Tenant is not maintaining sufficient insurance or other means of financial capacity to enable Tenant to fulfill its obligations to Landlord in connection with this Section 10.05, whether or not then accrued, liquidated, conditional or contingent, Tenant shall procure and thereafter maintain in full force and effect such insurance or other form of financial assurance, with or from companies or persons and in forms reasonably acceptable to Landlord, as Landlord may from time to time reasonably request.

Section 10.06. Sewer Damage

Tenant agrees not to discharge any acid or other harmful or dangerous chemicals into the sewer system, whether it be inside the Premises area or inside the main system leading from the Premises to the main sewer line. Should Tenant discharge any acid or harmful chemicals into the sewer system, Tenant shall be, *fully* responsible for the cost and repair of such damage. Landlord reserves the right to select an expert of its choosing to inspect any damage at Tenant's cost. Tenant shall not be responsible for cost of expert if it is determined such damage is not caused by Tenant. Tenant accepts responsibility for any damage if the following conditions exist: (a) the damage to the sewer system is determined to be due to the chemicals used in the operation of Tenant's business; (b) the damage exists only in the designated portion of the sewer system.

Section 10.07. Tenant's Use — No Nuisance

Tenant acknowledges that odors emanating from the Premises as a result of Tenant's operation can become a nuisance to other Tenants within the Entire Premises. Therefore, Tenant agrees to take whatever measures are necessary to eliminate odors emanating from the leased premises at Tenant's sole cost and expense. If the odor problem is not remedied by Tenant, Landlord has the right to have odor nuisance inspected and remedied by an expert of Landlord's and Tenant's choosing at Tenant's sole cost.

Section 10.08. Tenant's Covenant

The Tenant herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions.

"That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, physical or mental disability or medical condition, national origin or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subleases, subtenants or vendees in the premises herein leased."

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**ARTICLE XI
MAINTENANCE AND REPAIRS**

Section 11.01. Tenant's Maintenance Obligations.

Tenant, at its sole cost and expense, shall keep the Premises in first class order, condition and repair and shall make all replacements necessary to keep the Premises including the theatre building and improvements in such condition. All replacements shall be of a quality equal to or exceeding that of the original. Should Tenant fail to make these repairs and replacements or otherwise so maintain the Premises for a period of three (3) days after written demand by Landlord, or should Tenant commence, but fail to complete, any repairs or replacements within thirty (30) days after written demand by Landlord, Landlord may enter the Premises and make such repairs or replacements without liability to Tenant for any loss or damage that may occur to Tenant's stock or business, and Tenant shall pay to Landlord the costs incurred by Landlord in making such repairs or replacements together with interest thereon at the maximum rate permitted by law from the date of commencement of the work until repaid. Tenant, at its expense, shall repair promptly any damage to the building or the Entire Premises caused by Tenant or its agents or employees or caused by the installation or removal of Tenant's personal property. Tenant shall contract with a service company licensed and experienced in servicing HVAC equipment and approved by Landlord for the quarterly maintenance of the HVAC equipment serving the Premises and shall provide Landlord with a copy of the service contract within ten (10) days following its execution. If Tenant fails to timely deliver a copy of the service contract, Landlord may impose a late charge in the amount of \$50.00 per month until the copy is delivered. The sum so billed to Tenant shall become immediately due to Landlord as additional rent. Landlord, at its option, may contract with a service company of its own choosing, or provide such service itself, for the maintenance of the HVAC equipment, and bill Tenant for the cost of same.

Tenant, at its own expense, shall comply with all requirements for the installation and periodic maintenance of the fire extinguisher or automatic dry chemical extinguishing system.

Section 11.02. Plate Glass.

Tenant shall promptly replace, at its expense, any and all plate and other glass damaged or broken from any cause whatsoever (except Landlord's direct act) in and about the Premises. Tenant shall have the option either to insure this risk or self insure.

**ARTICLE XII
COMMON AREA**

Section 12.01. Definition of Common Area.

The term "Common Area," as used in this Lease means all areas within the exterior boundaries of the Entire Premises now or later made available for the general use of Landlord and other persons entitled to occupy floor area in the Entire Premises. Without limiting this definition, Landlord may include in the Common Area those portions of the Entire Premises presently or later sold or leased until the commencement of construction of building(s) thereon, at which time such areas shall be withdrawn from the Common Area. Common Area shall not include (a) the entryway to a tenant's premises, (b) any improvements installed by a tenant outside of its premises, whether with or without Landlord's knowledge or consent, or (c) any areas or facilities that could be considered as Common Area except that the areas or facilities are included in the description of premises leased to a tenant.

Section 12.02. Maintenance and Use of Common Area.

The manner in which the Common Area shall be maintained shall be solely determined by Landlord. If any tenant of any portion of the Entire Premises maintains its own Common Area (Landlord shall have the right in its sole discretion to allow any tenant to so maintain its own Common Area and be excluded from participation in the payment of Common Area Expenses as provided below), Landlord shall not have any responsibility for the maintenance of that portion of the Common Area; Tenant hereby waives any claims or damages arising out of any failure of such Landlord or tenant to so maintain its portion of the Common Area.

The use and occupancy by Tenant of the Premises shall include the right to use the Common Area (except those portions of the Common Area on which have been constructed or placed permanent or temporary kiosks, displays, carts and stands and except areas used in the maintenance or operation of the Entire Premises), in common with Landlord and tenants of the Entire Premises and their customers and invitees, subject to such reasonable, nondiscriminatory rules and regulations concerning the use of the Common Area as may be established by Landlord from time to time. Written notice of such rules and regulations and amendments and supplements thereto, if any, shall be given to Tenant fifteen (15) days prior to their effective date. Tenant agrees to promptly comply with all such rules and regulations upon receipt of written notice from Landlord. Landlord shall have no liability if any Landlord or tenant does not comply with such rules and regulations.

Tenant and Tenant's employees and agents shall not solicit business in the Common Areas, nor shall Tenant distribute any handbills or other advertising matter on automobiles parked in the Common Area.

Section 12.03. Control of and Changes to Common Area.

Landlord shall have the sole and exclusive control of the Common Area. Landlord's rights shall include, but not be limited to, the right to (a) restrain the use of the Common Area by unauthorized persons; (b) cause Tenant to remove or restrain persons from any unauthorized use of the Common Area if they are using the Common Area by reason of Tenant's presence in the Entire Premises; (c) utilize from time to time any portion of the Common Area for promotional, entertainment and related matters; (d) place permanent or temporary kiosks, displays, carts and

stands in the Common Area and to lease same to tenants; (e) temporarily close any portion of the Common Area for repairs, improvements or alterations, to discourage non-customer use, to prevent dedication or an easement by prescription, or for any other reason deemed sufficient in Landlord's judgment; and (f) reasonably change the shape and size of the Common Area, add, eliminate or change the location of improvements to the Common Area, including, without limitation, buildings, lighting, parking areas, roadways and curb cuts, and construct buildings on the Common Area. Landlord may determine the nature, size and extent of the Common Area and whether portions of the same shall be surface, underground or multiple-deck; as well as make changes to the Common Area from time to time which in Landlord's opinion are deemed desirable for the Entire Premises. Landlord's right in this Section 12.03 may be shared in common with other Landlords of the Entire Premises.

Section 12.04. Common Area Expenses.

The term "Common Area Expenses" as used in this Lease means all costs and expenses incurred by Landlord, in operating, managing, policing, insuring, replacing, repairing and maintaining the Common Area and, if applicable, the security offices and management offices, located in the Entire Premises from time to time (the "Common Facilities"), and operating, insuring, repairing, replacing and maintaining the Common Utility Facilities. "Common Utility Facilities" are defined to include but are not limited to, sanitary sewer lines and systems, gas lines and systems, water lines and systems, fire protection lines and systems, electric power, telephone and communication lines and systems, and storm drainage and retention facilities not exclusively serving the premises of any tenant or store located in the Entire Premises. Common Area Expenses shall include, without limitation, the following: expenses for maintenance, landscaping, repaving, resurfacing, repairs, replacements, painting, lighting, cleaning, trash removal, security, fire protection and similar items; cost, installation and removal of seasonal decorations; non-refundable contributions toward one or more reserves for replacements other than equipment; rental on equipment; charges, surcharges and other levies related to the requirements of any Federal, State or local governmental agency; costs of any improvements made by Landlord to the Entire Premises for the purpose of reducing recurring expenses or utility costs and from which Tenant can expect a reasonable benefit or that are required by any governmental law, ordinance, regulation or mandate subsequent to the original construction of the Entire Premises; expenses related to the Common Utility Facilities; real and personal property taxes and assessments on the improvements and land comprising the Common Area and Common Facilities; Landlord Carried Insurance (defined in Section 16.02) and any additional coverage obtained by Landlord on the Entire Premises; and a sum payable to Landlord for administration and overhead in an amount equal to ten percent (10%) of the Common Area Expenses for the applicable year.

Section 12.05. Proration of Common Area Expenses.

(a) From and after the commencement of the Term, Tenant shall pay to Landlord, on the first day of each calendar month, without demand or offset, an amount estimated by Landlord to be the monthly amount of Tenant's share of the Common Area Expenses which shall also include Tenant's pro rata share of Real Property Taxes described in Section 8.01 ("Monthly Impound"). The Monthly Impound may be adjusted periodically by Landlord based on Landlord's reasonable estimate of anticipated costs.

(b) Within one hundred twenty (120) days following the end of each calendar year of the Term, or, at Landlord's option, its fiscal year, Landlord shall furnish Tenant with a statement covering the calendar or fiscal year (as the case may be) just expired, showing the actual Common Area Expenses for that year, the amount of Tenant's share of Common Area Expenses for said calendar or fiscal year and the Monthly Impound payments made by Tenant during that year. If Tenant's share of the Common Area Expenses exceeds Tenant's prior Monthly Impound payments, Tenant shall pay Landlord the deficiency within ten (10) days after receipt of the annual statement. If Tenant's Monthly Impound payments for the calendar or fiscal year exceed Tenant's actual share of Common Area Expenses, and provided Tenant is not in arrears as to the payment of any Rent, Tenant may offset the excess against the next Monthly Impound due Landlord.

(c) Tenant's proportionate share of the Common Area Expenses shall be determined by multiplying the amount of such expenses by a fraction, the numerator of which is the number of square feet of leasable floor area in the Premises and the denominator of which is the number of square feet of leasable floor area in the Entire Premises.

Section 12.06. Parking

Tenant and its employees shall park their vehicles only in those portions of the Common Area from time to time designated for such purpose by Landlord. Landlord, at Tenant's expense, shall have the right to tow improperly parked vehicles of Tenant or Tenant's employees. Tenant shall reimburse Landlord upon demand for any such towing costs. Landlord shall have the right to adopt and implement such parking programs as may be necessary to alleviate parking problems during the peak traffic periods, including requiring the use of off-site parking. Tenant shall pay to Landlord its proportionate share of the cost of any such off-site parking program based on the ratio of the floor area of the Premises to the total floor area of the premises of all tenants in the Entire Premises required to participate in such program.

Tenant shall furnish Landlord with a list of its employees and the license numbers of their vehicles within fifteen (15) days after Tenant opens for business in the Premises. Tenant shall be responsible for ensuring that its employees comply with all the provisions of this Section 12.06 and such other parking rules and regulations as may be adopted and implemented by Landlord from time to time, including but not limited to systems of validation, shuttle transportation or any other programs which may be deemed necessary or appropriate by Landlord to control, regulate or assist parking by customers of the Entire Premises.

ARTICLE XIII

UTILITIES

Section 13.01. Utility Charges.

Tenant shall be solely responsible for and shall promptly pay all charges for heat, water, gas, electricity, fire sprinkler, fire alarm or any other utility used, consumed or provided in, or furnished, or attributable to the Premises at the rates charged by the supplying utility companies. Should Landlord elect to supply any or all of such utilities, Tenant agrees to purchase and pay for the same as additional rent as apportioned by the Landlord. The rate to be charged by Landlord to Tenant shall not exceed the rate charged Landlord by any supplying utility plus any expenses incurred by Landlord in connection with billing and supplying such utility service to Tenant. In no event shall Landlord be liable for any interruption or failure in the supply of any such utilities to the Premises. Tenant agrees to reimburse Landlord within ten (10) days of billing for fixture charges and/or water tariffs, if applicable, which are charged by local utility companies. Landlord will notify Tenant of this charge as soon as it becomes known. This charge will increase or decrease with current charges being charged Landlord by the local utility company, and will be due as additional rent. Tenant shall be responsible for sewer hook-up fees associated with Tenant's use of the Premises.

ARTICLE XIV

ALTERATIONS AND SIGNS

Section 14.01. Installation.

Tenant shall not make or cause to be made any alterations, additions or improvements or install or cause to be installed any trade fixtures, exterior signs, floor covering, interior lighting, plumbing fixtures, shades or awnings or make any changes to the storefront of the Premises without Landlord's prior written consent. Concurrently with the request for approval, Tenant shall deliver to Landlord two (2) sets of complete plans and specifications for such work prepared by a licensed architect and if applicable, engineer. If required by Landlord, Tenant shall also provide security for the lien free completion of such work in the form of a payment and performance bond or other security satisfactory to Landlord.

Section 14.02. Removal by Tenant.

All alterations, decorations, additions and improvements made by the Tenant, or made by the Landlord on the Tenant's behalf by agreement under this Lease, shall remain the property of the Tenant for the Term, or any extension or renewal thereof. Any alterations, decorations, additions and improvements made by Tenant or previous tenant, if applicable, shall not be removed from the Premises without Landlord's prior written consent. During the Term, Tenant shall not remove any of its trade fixtures or other personal property, without the immediate replacement thereof with comparable fixtures or property. Upon expiration of this Lease, or any renewal term thereof, at Landlord's option, Tenant shall remove all such alterations, decorations, additions, and improvements, and restore the Premises as provided in Section 15.01 hereof. If the Tenant fails to remove such alterations, decorations, additions and improvements and restore the Premises, then upon the expiration of this Lease, and upon Tenant's vacation of the Premises, all such alterations, decorations, additions and improvements shall become the property of Landlord and Tenant shall reimburse Landlord for the cost of removal and/or storage of such alterations, decorations, additions and improvements.

Section 14.03. Liens.

Tenant shall keep the Premises free from any kinds of liens arising out of work performed or materials furnished Tenant and shall promptly pay all contractors and materialmen used by Tenant to improve the Premises, so as to minimize the possibility of a lien attaching thereto. If any such lien be made or filed, Tenant shall bond against or discharge the same within ten (10) days after written request by Landlord.

Tenant shall indemnify, defend, protect and hold Landlord, any ground lessor, the Premises and the Entire Premises and every part thereof free and harmless from and against any and all liability, damage, claims, demands, suits, actions or expense (including attorneys' fees) arising out of any work done on or about the Premises by Tenant or, at Tenant's direction, including Tenant's employees, representatives, successors, contractors, subcontractors, materialmen and assigns.

Section 14.04. Signs, Awnings and Canopies.

Tenant shall conform to the Union City Entertainment Center Tenant Sign Criteria. In addition, Tenant shall not place or suffer to be placed or maintained any sign, awning, canopy, or advertising matter on the roof or on any exterior surface, door, wall or window or within 48 inches of any windows or doors of the Premises or the Building without Landlord's prior written consent. If Landlord consents, Tenant agrees to maintain such sign, awning, canopy, decoration, lettering or advertising matter in good condition and repair at all times.

Tenant agrees, at Tenant's sole cost to install and maintain any signs as required by Landlord in strict conformance with Landlord's sign criteria as to design, material, color, location, size and letter style and, if requested by Landlord, from the source designated by Landlord. Tenant's sign shall be installed prior to Tenant's opening for business and shall thereafter be maintained by Tenant at its own expense. If Tenant fails to maintain such sign, Landlord may do so and Tenant shall reimburse Landlord for such cost plus a twenty percent (20%) overhead fee. If, without Landlord's prior written consent, Tenant installs a sign that does not conform to the Sign Criteria, Landlord may have Tenant's sign removed and stored at Tenant's expense. The removal and storage costs shall bear interest until paid at the maximum rate allowed by law.

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Landlord reserves the right to revise the Sign Criteria, at any time. Within ninety (90) days of Landlord's request and provided that Tenant has been in occupancy of the Premises for at least five (5) years, Tenant shall remove Tenant's existing sign, patch the fascia, and install a new sign, at Tenant's sole cost and expense, in accordance with Landlord's new sign criteria.

**ARTICLE XV
SURRENDER OF PREMISES**

Section 15.01. Surrender of Premises.

At the expiration of the tenancy hereby created, Tenant shall surrender the Premises in a first class, clean condition in accordance with the requirements of Section 14.02 herein, except for reasonable wear and tear and damage by unavoidable casualty to the extent covered by Landlord Carried Insurance. Tenant shall remove all of its trade fixtures, and any alterations or improvements if required as provided in Section 14.02 hereof, before surrendering the Premises to Landlord and shall repair any damage to the Premises or Building caused thereby. Tenant shall also remove its sign and patch the fascia. Tenant's covenants shall survive the expiration or other termination of this Lease.

If the Premises were occupied by other tenants prior to the commencement of the Term, then Tenant, upon Landlord's written request at the expiration of the Term, shall remove all or a portion of, as designated by Landlord, the interior improvements made by the prior tenants, and deliver the Premises in a condition acceptable to Landlord.

Following removal of all improvements as required by Section 15.01, Landlord shall conduct an inspection of the Premises to confirm Tenant's compliance with this Section. Tenant shall send written notice to Landlord five days prior to Landlord's inspection. Landlord's inspection shall occur no later than the last day of the Term. During the inspection, Tenant shall surrender all keys for the Premises to Landlord and shall inform Landlord of all combinations on locks, safes and vaults, if any, in the Premises.

Tenant shall also provide Landlord with a written statement, at Tenant's sole expense, from a reputable company licensed and experienced in HVAC repair and maintenance approved by Landlord that certifies that the HVAC equipment serving the Premises was inspected and serviced, if necessary, within the last thirty (30) days of the Term and is in good working order. If Tenant fails to provide the statement, Landlord may order an inspection of the HVAC at Tenant's expense.

**ARTICLE XVI
INSURANCE AND INDEMNITY**

Section 16.01. Tenant's Liability and Property Insurance.

During the Term, Tenant, at its expense, shall keep in full force and effect a policy of commercial general liability insurance insuring Landlord and Tenant from and against all claims, demands, actions or liability for injury to or death of any persons, and for damage to property arising from or related to the use or occupancy of the Premises or the operation of Tenant's business and the business operated by Tenant and subtenants and concessionaires of Tenant in the Premises. No deductible will be carried under this coverage without the prior written consent of Landlord. The policy shall include coverage for property damage, bodily injury, premises/operations, contractual liability (including Tenant's indemnity under this Lease), independent contractors, personal injury, product/completed operations, owned and nonowned automobiles, and, if applicable, liquor liability insurance. If required by Landlord, Tenant must carry building ordinance coverage. The insurance shall be written on an occurrence basis with coverage in a minimum amount of \$1,000,000.00 per occurrence for bodily injury/property damage and \$2,000,000.00 general aggregate limit. Tenant shall also maintain in full force and effect insurance covering all trade fixtures, merchandise, personal property and equipment in amounts no less than one hundred percent (100%) of the replacement value thereof, providing protection against any peril included within the classification of the "Fire and Extended Coverage", including sprinkler damage, vandalism and malicious mischief. Tenant shall also maintain Worker's Compensation Insurance with a limit no less than the amount required by law.

During any construction on the Premises, Tenant shall cause its contractor to obtain a policy of general liability insurance in the same form as required of Tenant, a policy of builder's risk insurance providing coverage for the expected value of Tenant's Work when completed and Worker's Compensation as required by law.

All policies shall name the Landlord, the property manager, Landlord's lender and any person, firms or corporations designated by Landlord as additional insures. No additional insured shall be liable for any payment for premiums. All additional insures shall be entitled to recovery for any loss occasioned to them, their servants, agents or employees by reason of negligence of Tenant, its officers, agents or employees. All policies shall contain a clause that the insurer will not cancel or change such coverage without first giving Landlord thirty (30) days prior written notice. All insurance shall be issued by an insurance company qualified to do business in the State in which the Entire Premises is located and having an overall rating of Class A- or better and a financial rating of Class V as rated in the most current available Best's Key Rating Guide. Copies of all policies or certificates of insurance required hereunder shall be delivered to Landlord as a condition to Tenant's entry onto the Premises. All policies shall be written as primary policies, not contributing with and not in excess of coverage which Landlord may carry. Landlord may increase the limits of liability required hereunder in the exercise of Landlord's reasonable judgment.

If this Lease is canceled by reason of damage or destruction and Tenant is relieved of its obligation to rebuild, any insurance proceeds for damages to the Premises, including all leasehold improvements, but excluding all fixtures, will belong to Landlord, free and clear of any claims by Tenant.

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Section 16.02 Landlord's Acquisition of Insurance.

If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord.

Section 16.03. Landlord Carried Insurance.

Landlord shall, subject to reimbursement as provided herein, maintain public liability, fire with extended coverage insurance with a vandalism and malicious mischief endorsement, rental loss insurance, earthquake (if not otherwise economically impracticable) or any other insurance coverage deemed necessary by Landlord or Landlord's lender (collectively, "Landlord Carried Insurance") through the Term, in amounts from time to time deemed reasonably necessary by Landlord or Landlord's lender on the Common Area. The Landlord Carried Insurance may be obtained through a blanket policy or other form of pooled insurance coverage covering not only the Entire Premises, but other property owned by Landlord or its affiliates. The fire and extended coverage insurance shall be in an amount equal to at least ninety percent (90%) of the replacement value of the Building and Improvements. During the Term, Tenant hereby agrees to reimburse Landlord as part of the Common Area Expenses for Tenant's pro rata share of any Landlord Carried Insurance attributable to the Common Area and to reimburse Landlord for Landlord Carried Insurance attributable to the Tenant's Building and Improvements. In determining Tenant's share of the premiums for Landlord Carried Insurance, the schedule issued by the organization making the insurance rate on the improvements, areas and/or risks covered, showing the various components of such rates, shall be conclusive evidence of the charges which make up the insurance rate and the share to be charged to the Premises. If such a schedule cannot be obtained, then Tenant's share shall be a proportion of the premiums for such Landlord Carried Insurance based on the ratio of the square footage of the floor area of the Premises to the total square footage of the floor area of all building space covered by such Landlord Carried Insurance.

Section 16.04. Indemnification of Landlord.

Tenant shall indemnify, defend, protect and save Landlord harmless from and against any and all claims, demands, actions, damages, liability and expense (including reasonable attorneys' fees and costs of investigation) in connection with any damage to person and/or property arising directly or indirectly from or connected with the conduct or management of the business conducted by Tenant on the Premises, or the occupancy or use by Tenant of the Premises or any part of the Entire Premises, or from any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to this Lease, or from violations of or noncompliance with any governmental requirements or insurance requirements, or from any acts or omissions of Tenant or any person on the Premises by license or invitations of Tenant or occupying the Premises or any part thereof under Tenant whether such damage occurs in, on or about the Premises, the Common Area or the Entire Premises. In case Landlord shall be made a party to any litigation commenced by or against Tenant, Tenant shall accept any tender of defense by Landlord and shall, notwithstanding any allegations of negligence or misconduct on the part of Landlord, its agents or employees, defend, protect and hold Landlord harmless and pay all costs, expenses and reasonable attorneys' fees incurred or paid by Landlord in connection with such litigation; provided, however, Tenant shall not be liable for any such damage to the extent and in the proportion such damage is ultimately determined to be attributable to the gross negligence or willful misconduct of Landlord, its agents or employees, unless covered by insurance required to be carried by Tenant. Landlord may, at its option, require Tenant to assume Landlord's defense in any action covered by this Section 16.03 through counsel satisfactory to Landlord.

Landlord shall, during the Term hereof, indemnify Tenant and save it harmless from and against any and all claims, demands, actions, damages, liability and expense arising solely out of the gross negligence or willful misconduct of the Landlord; providing, however, in no event shall Landlord be liable to Tenant for any consequential damages, including, without limitation, any claimed loss of profit or business.

Section 16.05. Boiler, HVAC and Evaporative Cooler Insurance.

If required by Landlord, Tenant, at its sole expense, shall procure and maintain in full force and effect for the Term, boiler and machinery insurance on all air-conditioning equipment, evaporative coolers, boilers, and other pressure vessels and systems, whether fired or unfired, located in the Premises. If said objects and the damage that may be caused by them or result from them are not covered by Tenant's extended coverage insurance required pursuant to Section 16.01, then such boiler insurance shall be in an amount satisfactory to Landlord and equal to one hundred percent (100%) of the replacement value of such equipment.

Section 16.06. Waiver of Subrogation.

Landlord and Tenant hereby mutually waive their respective rights of recovery against each other for any loss to the Premises or its contents resulting from actions on or with respect to the Premises insured by fire, extended coverage or any other insurance existing for the benefit of the respective parties and each party agrees to apply to their insurers to obtain similar waivers from such insurers. Each party shall obtain any special endorsements required by such party's insurer to evidence compliance with the aforementioned waiver.

Section 16.07. Waiver or Loss and Damage.

Landlord shall not be liable for any damage to property of Tenant, or of others, located in, on or about the Premises, nor for the loss of or damage to any property of Tenant or of others by theft or otherwise. Landlord shall not be liable to Tenant, Tenant's employees or representatives for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or leaks from any part of the

Premises or from the pipes, appliances or plumbing works or from the roof, street or sub-surface or from any other places or by dampness or by any other cause of whatsoever nature. Landlord shall not be liable to Tenant, Tenant's employees or representatives for any such damage caused by other tenants or persons in the Premises, occupants of adjacent property of the Entire Premises, or the public, or caused by operations in construction of any private, public or quasi-public work. Landlord shall not be liable for any latent defects in the Premises or in the Building except for a period of one (1) year from the date of original completion of the Building by Landlord's contractor. All property of Tenant kept or stored on the Premises shall be so kept or stored at the sole risk of Tenant and Tenant shall hold Landlord harmless from any claims arising out of damage to the same, including subrogation claims by Tenant's insurance carriers, unless such damage shall be caused by the willful act or gross negligence of Landlord. Landlord shall not be liable in any circumstances for any consequential damages of any kind or nature whatsoever, including, without limitation, any claimed loss of profit or business.

Section 16.08. Notice by Tenant.

Tenant shall give immediate notice to Landlord in case of fire or accidents in the Premises or in the Building or of any damage or defects in the Premises, the Building or any fixtures or equipment therein.

ARTICLE XVII

**ESTOPPEL CERTIFICATE, ATTORNMENT, SUBORDINATION,
MORTGAGEE PROTECTION CLAUSE**

Section 17.01. Estoppel Certificate.

Within five (5) days after Landlord's written request, Tenant agrees to deliver in recordable form a certificate to any proposed mortgagee, ground lessor or purchaser, or to Landlord, certifying that this Lease is in full force and effect, that there does not exist nor has there existed any toxic materials or hazardous waste in, on or about the Premises, that no more than one (1) month's rent has been paid in advance, the essential terms of the Lease, that there are no defenses or offsets thereto, or stating those claimed by Tenant, and any other information that may be requested.

Section 17.02. Attornment.

Tenant shall, in the event any proceedings are brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage made by the Landlord covering the Premises, or in the event of a termination of any ground lease covering the Building or Premises, attorn to the purchaser or ground lessor upon any such foreclosure or sale or termination of ground lease and recognize such purchaser or ground lessor as the Landlord under this Lease, provided that any purchaser or mortgagee or ground lessor shall recognize this Lease as remaining in full force and effect so long as Tenant is not in default hereunder.

Section 17.03. Subordination.

Upon the written request of Landlord, and provided such mortgagee or ground lessor confirms in writing the nondisturbance provisions of Section 17.02 above, Tenant will immediately subordinate its rights hereunder to the lien of any mortgage or mortgages or the lien resulting from any other method of financing or refinancing, or any ground lease now or hereafter in force covering the land and the Building or upon any buildings hereafter placed upon the land of which the Premises are a part, and to all advances made or hereunder to be made upon the security thereof. This Section 17.03 shall be self-operative and no further instrument or subordination shall be required unless requested by Landlord's mortgagee or ground lessor. Tenant covenants and agrees that it will execute subordination agreements at any time upon Landlord's written request without compensation being made therefor. However, if Landlord so elects, this Lease shall be deemed prior in lien to any mortgage, deed of trust or other encumbrances or ground lease upon or including the Premises, regardless of recording and Tenant will execute a statement in writing to such effect at Landlord's request.

Section 17.04. Mortgage Protection Clause.

Tenant agrees to give any mortgagees, trust deed holders and/or ground lessor, by registered mail, a copy of any notice of default served upon the Landlord, provided that prior to such notice Tenant has been notified in writing (by way of notice of assignment of lease, or otherwise) of the addresses of such mortgagees, trust deed holders and/or ground lessor. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the mortgagees and/or trust deed holders shall have an additional thirty (30) days within which to cure such default, or if such default cannot be cured within that time, then such additional time as may be necessary, provided such mortgagees, trust deed holders and/or ground lessor commence such cure within thirty (30) days and diligently pursue the remedies necessary to cure such default (including but not limited to commencement of foreclosure proceedings to effect such cure), in which event this Lease shall not be terminated while such remedies are being so diligently pursued.

Section 17.05. Landlord Waiver Form.

Upon request by Tenant, Landlord shall execute an Landlord's waiver and consent to financing for Tenant's fixturization on the Premises in a form to be supplied by Landlord. Tenant shall pay Landlord \$150.00 (increased by the Index) for each form signed by Landlord.

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ARTICLE XVIII
ASSIGNMENT AND SUBLETTING

Section 18.01. Consent Required.

Except as provided in Sections 18.02, 18.03 and 18.04 herein, Tenant shall not assign this Lease in whole or in part, nor sublet all or any part of the Premises, without the prior written consent of Landlord, which consent shall not be unreasonably withheld. It is agreed that Landlord will not be acting unreasonably in refusing to consent to an assignment or sublease if, in Landlord's reasonable business judgment, the quality of the merchandising operation of the proposed assignee or subtenant is not equal to that of the Tenant, the use of the Premises will change, such assignee or subtenant may adversely affect the business of other tenants or the tenant mix in the Entire Premises or Landlord's ability to obtain percentage rent, the net worth of such assignee or subtenant is less than that of Tenant at time of execution of this Lease, or the proposed assignee or subtenant lacks sufficient working capital to operate the business. The consent by Landlord to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. If this Lease is assigned by Tenant, or if the Premises or any part thereof are sublet or occupied by any person or entity other than Tenant, Landlord may collect Rent from the assignee, subtenant or occupant, and apply the net amount collected to the Rent herein reserved, not no such assignment, subletting, occupancy or collection shall be deemed a waiver on the part of Landlord, or the acceptance of the assignee, subtenant or occupant as tenant, or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained. Irrespective of any assignment or sublease, Tenant shall remain fully liable under this Lease and shall not be released from performing any of the terms, covenants and conditions of this Lease. If Tenant assigns this Lease or sublets the Premises, any rent paid to Tenant in addition to the Rent payable to Landlord as set forth in this Lease shall be paid by Tenant to Landlord as additional rent.

If Tenant is a corporation, an unincorporated association or a partnership, the transfer, assignment or hypothecation of any stock or interest in such corporation, association or partnership in the aggregate in excess of forty-nine percent (49%) shall be deemed an assignment within the meaning and provisions of this Section 18.01.

Tenant shall pay Landlord a non-refundable processing fee of \$50.00 (increased each year by the Index) for each requested assignment or sublease to cover Landlord's costs. This fee shall accompany any request for assignment or sublease. In addition, Tenant shall pay all costs incurred by Landlord in connection with reviewing a request to consent to an assignment or sublease, including all of Landlord's attorneys' and accountants' fees.

Section 18.02. Permitted Assignment or Subletting by Franchisor.

If Tenant is a franchisor, Tenant may assign its interest herein or sublet all or part of the Premises once to a bona fide franchisee or licensee of Tenant without the payment of the fee described in Section 18.01 (but subject to all other conditions contained therein), provided there shall be no change in the use of the Premises, provided Tenant notifies Landlord in writing thirty (30) days prior to such subletting or assignment and provided further such assignee or subtenant meets all of Tenant's then nationwide franchise requirements including payment of the applicable standard franchise fee. Any subsequent subletting or assignment shall be subject to all the conditions of Section 18.01, including the payment of the fee.

Section 18.03. Concessionaires.

Tenant may grant concessions for the operation of one or more departments of the business which Tenant operates on the Premises as required by Section 10.01; provided however that (a) each such concession may be allowed only upon receipt by Tenant of the prior written consent of the Landlord, which consent shall not be unreasonably withheld, and shall be subject to all the terms and provisions of this Lease; (b) the Gross Receipts, as defined in Section 4.04 hereof, from the operation of each such concession shall be deemed to be a part of the Gross Receipts of Tenant for the purpose of determining the Percentage Rent payable to Landlord; (c) all of the provisions hereof applying to the business of Tenant including the provisions concerning reports and audits shall apply to each such concession; and (d) at least seventy-five percent (75%) of the sales floor area of the Premises shall at all times be devoted solely to the business operated by Tenant.

Section 18.04. Involuntary Assignment.

No interest of Tenant in this Lease shall be assignable by operation of law (including, without limitation, the transfer of this Lease by testacy or intestacy). Each of the following acts shall be considered an involuntary assignment: (a) if Tenant is or becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or institutes a proceeding under the Bankruptcy Act in which Tenant is bankrupt; or, if Tenant is a partnership or consists of more than one person or entity, if any partner of the partnership or other person or entity is or becomes bankrupt or insolvent, or makes an assignment for the benefit of creditors; (b) if a writ of attachment or execution is levied on this Lease; or (c) if, in any proceeding or action to which Tenant is a party, a receiver is appointed with authority to take possession of the Premises. An involuntary assignment shall constitute a default by Tenant, and Landlord shall have the right to elect to terminate this Lease, in which case this Lease shall not be treated as an asset of Tenant.

ARTICLE XIX
ADVERTISING AND PROMOTION

Section 19.01. Advertising of Tenant.

With the exception of national or regional advertising, Tenant, at its sole expense, agrees to refer to the Entire Premises by the name provided in Section 1.02.1, if one is so provided, in designating the location of the

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Premises in all local newspapers or other advertising, stationery, other printed material and in all other references to location, and to include the address and identity of its business activity in the Premises in all advertisements made by Tenant for its operation at the Entire Premises.

ARTICLE XX
DESTRUCTION OF PREMISES

Section 20.01. Total or Partial Destruction.

If the Premises shall be damaged by fire, the elements or other casualty or cause whether or not insured against under the provisions of Section 16.01 and 16.03, Tenant at its own expense, shall cause such damage to be repaired and the Premises reconstructed and restored as soon as reasonably practical, and any Rent or other charges payable hereunder shall not be abated. Landlord shall make any insurance proceeds available to Tenant on a reasonable basis for that purpose. Tenant shall be responsible for the concurrent prompt repair and restoration of its furniture, fixtures and equipment in the Premises damaged by such event. In the event that fifty percent (50%) or more of the Premises are damaged or destroyed by fire, the elements or other cause or casualty, Landlord shall have the right, to be exercised by written notice delivered to Tenant within sixty (60) days from and after said occurrence, to elect not to require the Tenant to reconstruct and repair the Premises, and in such event this Lease and the tenancy hereby created shall cease as of the date of said damage. If Landlord elects to terminate this Lease in accordance with this Section 20.01, all insurance proceeds, except for insurance proceeds for Tenant's fixtures, shall become the property of Landlord.

Section 20.02. Waiver of Termination.

Tenant hereby waives any statutory rights which it may have to terminate the Lease in the event of the partial or total destruction of the Premises, if being agreed that the provisions of this Article XX shall control.

ARTICLE XXI
EMINENT DOMAIN

Section 21.01. Total Condemnation.

If the whole of the Premises shall be acquired for any public or quasi-public use or purpose or taken by eminent domain, then the Term shall cease and terminate as of the date possession or title is given to such condemning authority in such proceeding and all rentals shall be paid up to that date.

Section 21.02. Total Parking Area.

If the entire portion of the Common Area used for parking in the Entire Premises ("Parking Area") shall be acquired for any public or quasi-public use or purpose or taken by eminent domain, then the Term shall cease and terminate as of the date possession or title is given to such condemning authority in such proceeding unless Landlord shall provide other parking facilities substantially equal to the previously existing ratio between the Parking Area and the Premises within ninety (90) days from the date of such taking. In the event that Landlord shall provide such other parking facilities, then this Lease shall continue in full force and effect without abatement of Rent or other charges.

Section 21.03. Partial Condemnation.

If any part of the Premises shall be acquired or taken by eminent domain for any public or quasi-public use or purpose, and in the event that such partial taking or condemnation shall render the Premises, in Landlord's discretion, unsuitable for the operation of Tenant's business, then the Lease shall cease and terminate as of the date possession or title is given to such condemning authority in such proceeding. In the event of a partial taking or condemnation which is not extensive enough to render the Premises unsuitable for the operation of Tenant's business, then Landlord shall promptly restore the Premises to the extent of the condemnation proceeds to a condition comparable to its condition at the time of such condemnation less the portion lost in the taking, and this Lease shall continue in full force and effect and the Minimum Rent shall be equitably reduced based on the percentage of floor area of the Premises lost in the taking.

Section 21.04. Partial Condemnation of Parking Area.

If any part of the Parking Area shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose and if, as the result of such partial taking the ratio of square feet of Parking Area to square feet of the sales floor area of the Entire Premises is reduced to a ratio below that permitted by law, then the Lease shall cease and terminate from the date possession or title is given to such condemning authority in such proceeding, unless Landlord shall provide reasonable evidence of its ability to increase the parking ratio to a permitted ratio or Landlord can provide substitute parking either in or outside the Entire Premises, in which event this Lease shall be unaffected and remain in full force and effect as between the parties.

Section 21.05. Allocation of Award.

Except as provided below, in the event of any condemnation or taking as herein provided, whether whole or partial, Tenant shall not be entitled to any part of the award, as damages or otherwise, for such condemnation and Landlord is to receive the full amount of such award; Tenant expressly waives any right or claim to any part thereof, including the right or claim for the value of the unexpired portion of the Term or diminution in value of Tenant's leasehold interest, or for the value of any option to extend the Term or renew this Lease. Tenant shall, however, have the right, provided such award shall not diminish Landlord's award, to claim and recover from the condemning

authority, but not from Landlord, such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right on account of any and all damages to Tenant's business for Goodwill and loss of income by reason of the condemnation and for or on account of any cost or less to which Tenant might incur in removing Tenant's merchandise, future, fixtures and equipment from the Premises.

ARTICLE XXII

DEFAULT

Section 22.01. Tenant's Default.

The occurrence of any of the following shall constitute a default by Tenant: (a) failure to pay rent when due, if the failure continues for three (3) days after notice has been given to Tenant; (b) abandonment and/or vacation of the Premises; (c) failure to operate in the Premises for ten (10) consecutive days; (d) failure to perform any nonmonetary provision of this Lease if the failure to perform is not cured within thirty (30) days after notice has been given to Tenant; provided that if the nonmonetary default cannot reasonably be cured within thirty (30) days, Tenant shall not be default of this Lease if Tenant commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default; and (e) failure to timely deliver an estoppel certificate as required by Section 17.01.

Notices given under this Section 22.01 shall not be deemed a forfeiture or a termination of this Lease unless Landlord so elects in the notice. Notices given under this Section 22.01 shall be in lieu of and not in addition to any statutory notice required by law.

Section 22.02. Landlord's Remedies.

Landlord shall have the following remedies if Tenant commits a default. These remedies are not exclusive; they are cumulative in addition to any remedies now or later allowed by law.

Landlord can continue this Lease in full force and effect after Tenant's default and abandonment, and the Lease will continue in effect as long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all Landlord's rights and remedies under the Lease, including the right to collect Rent when due. During the period Tenant is in default, Landlord can enter the Premises and relet them, or any part of them, to third parties for Tenant's account. Tenant shall be liable immediately to Landlord for all costs Landlord incurs in reletting the Premises, including, without limitation, brokers' commissions, expenses of remodeling the Premises required by the reletting, and like costs. Reletting can be for a period shorter or longer than the remaining Term of this Lease. Tenant shall pay to Landlord the Rent due under this Lease on the dates the Rent is due, less the rent Landlord receives from any reletting. No act allowed by this Section 22.02 shall terminate this Lease unless Landlord notifies Tenant that Landlord elects to terminate this Lease.

If Landlord elects to relet the Premises as provided in this Section 22.02, Rent that Landlord receives from reletting shall be applied to the payment of: first, any indebtedness from Tenant to Landlord other than Rent due from Tenant; second, all costs, including maintenance, incurred by Landlord in reletting; and third, Rent due and unpaid under this Lease. After deducting the payments referred to in this Section, any sum remaining from the Rent Landlord receives from reletting shall be held by Landlord and applied in payment of future Rent as Rent becomes due under this Lease. In no event shall Tenant be entitled to any excess Rent received by Landlord. If, on the date Rent is due under this Lease, the Rent received from the reletting is less than the Rent due on that date, Tenant shall pay to Landlord, in addition to the remaining Rent due, all costs, including maintenance, Landlord incurred in reletting that remain after applying the Rent received from the reletting as provided in this Section 22.02.

Landlord can terminate Tenant's right to possession of the Premises at any time. No act by Landlord other than giving notice to Tenant shall terminate this Lease. Acts of maintenance, efforts to relet the Premises or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to recover from Tenant: (a) the worth, at the time of the award, of the unpaid rent that had been earned at the time of termination of this Lease; (b) the worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and (d) any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's default. "The worth, at the time of the award", as used in (a) and (b) of this Section 22.02, is to be computed by allowing interest at the maximum rate an individual is permitted by law to charge. "The worth, at the time of the award," as referred to in (c) of this Section 22.02, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

Section 22.03. Appointment of Receiver.

If Tenant is in default of this Lease, Landlord shall have the right to have a receiver appointed to collect Rent and conduct Tenant's business. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this lease.

Section 22.04. Landlord's Right to Cure Tenant's Default.

Landlord, at any time after Tenant commits a default, can cure the default at Tenant's cost. If Landlord at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be due immediately from Tenant to Landlord at the time the sum is paid, and if paid at a later date shall bear interest at the maximum rate an individual is permitted by law to charge from the date the sum is paid by Landlord until Landlord is reimbursed by Tenant. The sum, together with interest on it, shall be additional rent.

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Section 22.05. Waiver of Rights of Redemption.

Tenant expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any of the covenants or conditions of this Lease, or otherwise.

Section 22.06. Default by Landlord.

If Landlord fails to perform any of the covenants or conditions required on its part to be performed pursuant to this Lease, where such failure continues for a period of thirty (30) days after receipt of written notice specifying the nature and extent of such default in detail (provided, however, that if such default is of a nature that it cannot reasonably be cured within thirty (30) day period). Landlord shall be liable to Tenant for all damages sustained as a direct result of such breach, subject to the additional rights of any mortgagees of Landlord as provided in Section 17.04 herein. Landlord's liability shall be limited to Landlord's interest in the Entire Premises. Neither Landlord nor any of its partners shall be personally liable.

ARTICLE XXIII

SUCCESSORS; SALE OF PREMISES

Section 23.01. Successors and Assigns.

Except as provided in Section 18.05, all rights and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors, and assigns of said parties; and if there shall be more than one tenant, they shall all be bound jointly and severally by the terms, covenants and agreements herein. No rights, however, shall inure to the benefit of any assignee of Tenant unless the assignment to such assignee has been approved by Landlord in writing as provided in Section 18.01 hereof.

Section 23.02. Sale of Premises.

In the event Landlord shall sell, convey, transfer or exchange the Premises, the Entire Premises or the Building, Tenant agrees to recognize and attorn to the purchaser or transferee, as the Landlord hereunder and Landlord shall be and is hereby relieved and released from any liability under any and all of its covenants and obligations under the Lease arising out of any act, occurrence or event arising after such sale, conveyance, transfer or exchange.

ARTICLE XXIV

QUIET ENJOYMENT

Section 24.01. Landlord's Covenant.

Upon timely payment by Tenant of the Rent, and upon the observance and performance of all of the covenants, terms and conditions on Tenant's part to be observed and performed hereunder, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term without unreasonable hindrance or interruption by Landlord or any other person or persons lawfully or equitably claiming by, through or under the Landlord, subject, nevertheless, to the terms and conditions of this Lease. Landlord may subject its interest in the Premises to a Lien or Mortgage provided, the lienholder furnishes Tenant with a Subordination, Attornment and Non-Disturbance Agreement.

ARTICLE XXV

MISCELLANEOUS

Section 25.01. Index.

Whenever in this Lease there is a reference to the Index, such reference shall refer to the following:

- (a) The "Index" as used in this Lease shall be deemed to mean The United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, U.S. City Average, Subgroup "All items", (1982-84 = 100) (the "Index"). If at any time there shall not exist the Index in the format recited herein, Landlord shall substitute any official index published by the Bureau of Labor Statistics or successor or similar substitute any office index published by the Bureau of Labor Statistics, or successor or similar governmental agency, as may then be in existence and shall, in Landlord's opinion, be most nearly equivalent thereto.
- (b) The sum to be increased in accordance with the provisions of the Index shall be increased using the following formula: Such sum shall be increased by a percentage equal to the percentage increase, if any, in the Index published for the Comparison Month over the Index published for the Base Month; provided, however, in no event shall said sum be less than that which was due immediately preceding the date of adjustment. If no Comparison Month or Base Month shall be specified, the Comparison Month shall be three (3) months prior to the anniversary of the Rent Commencement Date for the year of the increase, and the Base Month shall be three (3) months prior to the Rent Commencement Date.

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Section 25.02. Waiver.

No payment by Tenant or receipt by Landlord of a lesser amount than the Rent herein stipulated shall not be deemed to be a waiver of any other default, term, covenant or condition concerning the same. No delay or omission in the exercise of any right or remedy of Landlord shall impair such a right or remedy or be construed as a waiver. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent.

Section 25.03. Accord and Satisfaction.

No payment by Tenant or receipt by Landlord of a lesser amount than the Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy in this Lease.

Section 25.04. Entire Agreement.

This Lease and the Exhibits attached hereto and forming a part hereof, set forth all the representations, covenants, promises, agreements, conditions and understandings between Landlord and Tenant concerning the Premises and there are no representations, covenants, promises, agreements, conditions or understandings, either oral or written, between them other than are herein set forth. Any subsequent alteration, amendment, change or addition to this Lease must be in writing, signed by Landlord and Tenant.

Section 25.05. No Partnership.

Landlord does not, in any way or for any purpose, become a partner of Tenant in the conduct of its business, or otherwise, or joint venture or a member of a joint enterprise with Tenant by reason of this Lease. The provisions of this Lease relating to the Percentage Rent payable hereunder are included solely for the purposes of providing a method whereby Rent is to be measured and ascertained.

Section 25.06. Force Majeure.

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, governmental moratorium, riots, insurrection, war or other reason of a like nature not the fault of the party delaying in performing work or doing acts required under the terms of this Lease (but excluding delays due to financial inability), then performance of such act shall be excused for the period of such delay. The provisions of this Section 25.06 shall not operate or excuse Tenant from the prompt payment of Minimum Rent, Percentage Rent, additional rent or any other payments required by the terms of this Lease.

Section 25.07. Holding Over.

Any holding over after the expiration of the Term, with or without the consent of the Landlord, shall be construed to be a tenancy from month to month at a rent specified by Landlord in its sole discretion, which rent shall never be less than the then prevailing market rate for the Entire Premises (as determined solely by Landlord) and shall otherwise be on the terms and conditions herein specified, as far as applicable.

Section 25.08. Notices.

All notices hereunder must be served personally or by certified or registered mail, postage prepaid, addressed to Tenant and to Landlord at the address given below or at such other address as Landlord or Tenant may designate by written notice pursuant to this Section 25.08. Any notice given by mail shall be deemed given forty-eight (48) hours after deposit in the mail.

Landlord: Dyer Triangle LLC
150 Pelican Way
San Rafael, CA 94901
Attn.: Real Estate Department

Tenant: Century Theatres, Inc.
150 Pelican Way
San Rafael, CA 94901
Attn.: Legal Department

Section 25.09. Captions and Section Numbers.

The captions, section numbers, article numbers, and index appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Lease nor in any way affect this Lease.

Section 25.10. Tenant Defined, Use of Pronoun.

The word "Tenant" means each and every person or party mentioned as a Tenant herein, be the same one or more; and if there shall be more than one Tenant, any notice required or permitted by the terms of this Lease may be given by or to any one thereof, and shall have the same force and effect as if given by or to all thereof. The

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persons signing as Tenant shall be jointly and severally liable. The use of the neuter singular pronoun to refer to Landlord or Tenant shall be deemed a proper reference even though Landlord or Tenant may be an individual, a partnership, a corporation, or a group of two or more individuals or corporations. The necessary grammatical changes required to make the provisions of this Lease apply in the plural sense where there is more than one Landlord or Tenant and to either corporations, associations, partnerships, or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

Section 25.11. Partial Invalidity.

If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and enforced to the fullest extent permitted by law.

Section 25.12. No Option.

The submission of this Lease for examination does not constitute a reservation of or option for the Premises and this Lease becomes effective as a Lease only upon execution and delivery thereof by Landlord to Tenant.

Section 25.13. Recording.

Tenant shall not record this Lease or a memorandum thereof.

Section 25.14. Legal Expenses.

In the event that any time during the Term either Landlord or Tenant shall institute any action or proceeding against the other relating to the provisions of this Lease, or any default hereunder, or engage an attorney to enforce such provision then, and in that event, the unsuccessful party in such action or proceeding agrees to reimburse the successful party for the actual expenses of attorneys' fees and disbursements incurred therein by the successful party.

The successful party in such suit shall be entitled to its costs of suit and actual attorneys' fees whether or not such action is prosecuted to judgment. "Successful party" within the meaning of this Section 25.14 shall include, without limitation, a party who brings an action against the other or who defends against an action brought by the other and whose position is substantially upheld.

Section 25.15. Rights Cumulative.

The rights and remedies of Landlord specified in this Lease shall be cumulative and in addition to any other rights and remedies provided by law.

Section 25.16. Authority.

If Tenant is a corporation or partnership, each individual executing this Lease on behalf of such entity represents or warrants that he or she is duly authorized to execute and deliver this Lease on behalf of such entity and that such entity shall be bound by all the terms and provisions hereof.

Section 25.17. Mortgage Changes.

Tenant shall not unreasonably withhold its consent to changes or amendments to this Lease requested by the holder of any mortgage or deed of trust covering Landlord's interest in the Premises so long as such changes do not materially alter the economic terms of this Lease or otherwise materially diminish the rights or materially increase the obligations of Tenant hereunder.

Section 25.18. Time of the Essence.

Time is of the essence in each and every provision of this Lease except for delivery of possession of the Premises as set forth herein.

Executed as of the date first written above.

LANDLORD: DYER TRIANGLE LLC, A
CALIFORNIA LIMITED LIABILITY COMPANY

/s/ Raymond Syufy

Its: Member — Manager

TENANT: CENTURY THEATRES, INC.
DELAWARE CORPORATION

/s/ Joseph Syufy

Its: President

UNION CITY ENTERTAINMENT CENTER

THIRD AMENDMENT TO LEASE

(Union City, California)

THIS THIRD AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 5, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **DYER TRIANGLE, LLC**, a California limited liability company ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Dyer City Triangle LLC, a California limited liability company ("Original Landlord") and Century Theatres, Inc., a Delaware corporation ("Original Tenant"), entered into a certain Lease dated as of April 10, 1998 (the "Original Lease"), for certain premises located in Union City, California.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of April 15, 2005 (the "First Amendment") and (ii) Second Amendment to Lease dated as of September 29, 2005 (the "Second Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Amendment shall become void *ab initio* and of no force and effect.

3. **Site Plan.** The Site Plan attached as Exhibit A to the Original Lease is hereby deleted and replaced by Exhibit A attached hereto and made a part hereof. All references in the Lease to the Site Plan shall mean and refer to Exhibit "A" attached hereto.

4. **Extension of Term.** The second sentence of Section 3.02 of the Original Lease shall be deemed deleted in its entirety and shall be of no further force or effect.

5. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in Contra Costa and Alameda County typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

6. **Trade Name.** Notwithstanding Sections 1.02.4 and 10.01 of the Original Lease, if Tenant shall change the trade name under which the majority of its motion picture theater complexes are operated, or if Tenant shall assign the Lease or sublet the Premises in accordance with Lease, then the Premises may be operated under the trade name used by Tenant or such assignee or subtenant (as the case may be) in the majority of the motion picture theatre complexes that it operates in the San Francisco/Bay area.

7. **Hours of Operation.** Notwithstanding anything contained in Section 10.02 of the Original Lease to the contrary, Tenant shall not be obligated to open or operate its business in the Premises on such days or at such times that a majority of other first-class motion picture theater complexes (whether owned by Tenant or others) in Contra Costa and Alameda County, California market area typically are not open and operating for business.

8. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self

insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on the determination date.

9. **Damage and Destruction — Repairs by Tenant** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) Tenant's Obligation to Repair. If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this (A) and (B), except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) Damage in Excess of 20%. If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in Section (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

10. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XVIII of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 8 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

11. Leasehold Financing. Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30)

days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

12. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

13. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

"Gross Sales" shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from "Gross Sales" (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant's actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called "four-wall deals" with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such "four-wall deals" shall be included in "Gross Sales" under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar

devices shall be deducted from "Gross Sales" (if and to the extent previously included in "Gross Sales").

14. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the seven (7) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a "Reassessment") for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term "Tax Increase" shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

(i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;

(ii) Attributable to the annual inflationary increases in real estate taxes; or

(iii) Attributable to the Acquisition on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the seven (7) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the seventh (7th) anniversary of the Effective Date of this Amendment.

15. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant's exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely

indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations, changes and improvements, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 5 of this Amendment. In addition, Tenant shall not move the main entrance of the theater without Landlord's prior written consent, which consent may be withheld in Landlord's sole and absolute discretion.

16. **Conditions of Record.** Notwithstanding anything contained in the Lease to the contrary (including, without limitation, Section 2.04 of the Original Lease), Tenant shall not be bound by any future documents of record, if and to the extent that the terms and provisions thereof would (i) conflict with Tenant's express rights and privileges under the Lease or Landlord's express duties and obligations under the Lease, or (ii) materially and adversely impact Tenant's operation of the Premises as a motion picture theatre, or (iii) materially increase the cost to Tenant of operating its business at the Premises. In addition, Landlord covenants and agrees that any covenants or other restrictions of record hereafter recorded against the Entire Premises (or any portion thereof) and binding upon the Premises will be applied in a non-discriminatory manner to all tenants and occupants of the Entire Premises (subject to reasonable and customary distinctions for size and use of the affected premises).

17. **Rooftop Equipment and Access.** Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder. Notwithstanding the foregoing, Tenant's exclusive rights are subject to any agreements existing on the date hereof and any extensions

thereof that may be exercised by the licensee or lessee thereunder regarding Rooftop Equipment. The lessees or licensees under such agreements may unilaterally extend or renew if and to the extent provided under such agreements, but Landlord may not renew or extend such agreements or extend such agreements unilaterally if such systems interfere with the transmission received by Tenant's Rooftop Equipment installed pursuant to this Section.

18. **Alterations and Development by Landlord.**(i) Notwithstanding anything to the contrary set forth in the Lease (including, without limitation, Section 2.02 and Section 2.03), and except as substantially shown on the Site Plan attached hereto, Tenant's prior written consent (which shall not be unreasonably withheld, delayed or conditioned) shall be required only with respect to any new buildings, improvements (but not maintenance or repairs), alterations or additions located or proposed to be located within the "Protected Area" (but not outside the Protected Area) of the Entire Premises (as shown on the Site Plan). Tenant shall not withhold its consent unless any such new buildings, improvements, alterations or additions would materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage) in a direct and demonstrable manner.

- (ii) Landlord shall not lease, sell or use any space on the Entire Premises or contiguous property which permits the operation of a motion picture theater.
- (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on the Entire Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food, a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.
- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre. In addition, Landlord shall not place any carts, kiosks, or other temporary structures selling any items within the No Kiosk Area as shown on the Site Plan.
- (v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

19. **Signage.** Notwithstanding Section 14.04 of the Original Lease to the contrary, Tenant shall not be required to remove or pay for the removal of its signage (or the installation of new signage) as a consequence of Landlord's revision of the Sign Criteria. The responsibilities of Tenant with respect to the maintenance, repair and replacement of Tenant's

signage shall be governed by Article XI of the Lease, subject to the restrictions and approval rights of Landlord under Article XIV of the Lease (as hereby amended). If new pylon and/or monument signs are constructed in the Entire Premises, as to any such signs on which Tenant has a sign panel, Tenant will pay Tenant's *pro rata* share (based on the relative size of Tenant's sign panel to all of the sign panels on the applicable signs) of the costs to construct such signs. In the event any such new signs are constructed, Tenant shall have the right, but not the obligation, to place its sign panel at the top sign panel position on such signs. Tenant must elect to install such panels within thirty (30) days after Landlord notifies Tenant that the sign structure is available for sign panels, and if Tenant so elects, Tenant shall promptly thereafter install Tenant's sign panel(s).

20. **Competition/Radius Restriction.** The radius restriction in Section 10.03 of the Original Lease shall not apply to any motion picture theatre complex which is developed, open and operating for business prior to Tenant or any affiliate of Tenant acquiring (or agreeing to acquire) any interest therein (as owner, lessee, operator, manager or otherwise).

21. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal. Notwithstanding anything in this Lease to the contrary, in no event shall Tenant be obligated to remove and/or demolish the theater building (except as required by Section 9(B) above).

22. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

23. **Termination of Lease and Lessee's Right to Possession.** The fourth (4th) sentence of the fourth (4th) paragraph of Section 22.02 of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

24. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant

hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Dyer Triangle, LLC
c/o SyWest Development
150 Pelican Way
San Rafael, California 94901
Attention: William Vierra

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 100
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this Section by giving written notice of such change to the other.

25. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms "Leased Premises", "Demised Premises" or "Premises" (and whether or not capitalized) is used herein, it shall be understood to mean the "premises leased hereby"; and whenever the term "Entire Premises" is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term "Non-leased Premises" shall mean the Entire Premises less the Leased Premises.

26. **Prior Amendments.** The First Amendment and the Second Amendment are hereby deemed to be *voidab initio* — it being the intent of the parties hereto that this

Amendment shall replace and restate such First Amendment and Second Amendment in their entirety.

27. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the "Lease" shall mean and refer to the Lease, as amended and modified by this Amendment.

28. **Passes.** On the condition that Syufy Enterprises, LP is affiliated with Landlord, Tenant shall provide Landlord with one hundred twenty-five (125) passes each good for admission by bearer, plus a guest each year. The passes shall carry no surcharge or fee and shall not otherwise impose restrictions beyond those required by the film distribution companies. The passes shall provide admission to any of Tenant's and Tenant's affiliates' theaters in the United States.

29. **Premises.** Notwithstanding the provisions with Section 2.01 of the Lease, the "Premises" or "Leased Premises" shall mean Tenant's theatre building as constructed as of the date of this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

DYER TRIANGLE LLC., a California limited COMPANY

By: Syufy Enterprises, LP, a California limited partnership
Its: Co Owner

By: Syufy Properties, Inc., a California corporation
Its: General Partner

By: /s/ William Vierra
William Vierra
Its: Senior Vice President

By: Sycal Properties, Inc., a California corporation
Its: Co-Owner

By: Syufy Properties, Inc., a California corporation
Its: Sole and Managing Member

By: /s/ William Vierra
William Vierra
Its: Senior Vice President

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ David Shesgreen
Name: DAVID SHESGREEN
Title: PRESIDENT & CEO

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THIS INDENTURE OF LEASE, dated and effective as of March 7, 1997, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, CA, hereinafter called "Landlord", and CENTURY THEATRES, INC., a Delaware corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in a parcel of land described on Exhibit A attached hereto.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the land.

NOW THEREFORE, the parties hereto agree as follows:

**ARTICLE I
EXHIBITS — DEFINITIONS**

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the tract of land hereinafter referred to as "Premises" or "Leased Premises".

EXHIBIT B — Form of Memorandum of Lease

1.02 Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" and "Rent Commencement Date" shall mean the date which is the earlier of (i) fifteen months after Tenant has secured a building permit for construction of Tenant's building or (ii) the date on which Tenant opens for business in the Premises.

The term "Default Rate" shall mean the Ten percent (10%).

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" or "Premises" shall mean the tract of land described on Exhibit A.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Leased Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

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The term "Option Periods" shall mean two (2) successive separate periods of five (5) years each and one (1) successive period of four (4) years.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Planned Use" shall mean the construction and operation of a 57,784 square foot multi-plex motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "CC&R's" shall mean the "Declaration of Covenants, Conditions, Restrictions and Easements for Victorian Square" recorded in the City of Sparks on March 4, 1997.

The term "Tenant's Building" shall mean the building to be erected by Tenant.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II
PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date.

D) Tenant shall be a party to and subject and subordinate to the Declarations of Covenants, Conditions, Restrictions and Easements for Victorian Square. Tenant shall have all rights related to the use of the Common Areas as set forth in the CC&R's and Tenant shall be obligated to pay its share of all costs and expenses, including property taxes, related to the Common Area as set forth in the CC&R's.

2.02 Term of Lease.

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Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter and shall terminate on the last day of the calendar month during which the date which is twenty (20) years after the Commencement Date occurs. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each and one (1) additional period of four (4) years (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default (meaning the breach of any obligation hereunder and failure to cure that breach within the time permitted in Section 14.01) at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Leased Premises in fee simple.

(B) At all times during the Term, Tenant shall keep and maintain the Leased Premises and Tenant's Building in good order and repair and in a clean and safe condition, reasonably free of debris. Tenant shall make any and all additions to and all alterations and repairs in, on and about the Leased Premises, which may be required by, and shall otherwise observe and comply with, all public laws, ordinances

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and regulations from time to time applicable to the Leased Premises. Tenant shall indemnify and save harmless Landlord from and against all actions, claims and damages by reason of Tenant's failure to comply with and perform its obligations under this section.

(C) Tenant will not permit the Leased Premises to become subject to any mechanics', laborers' or materialmen's lien on account of labor or material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed on the Leased Premises by or at the direction or sufferance of Tenant; provided, however, Tenant shall have the right to contest in good faith and with reasonable diligence the validity of any such lien or claimed lien and on final determination of the lien or claim for the lien, Tenant will immediately pay any judgment rendered with all proper costs and charges, and will, at its own expense, have the lien released and any judgment satisfied.

ARTICLE III USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Planned Use no other purpose. Tenant's use shall be subject to the CC&R's.

B) Landlord shall agree and consent to such utility and other easements encumbering the Premises or benefiting the Premises as Tenant may reasonably require for its use and occupancy of the Premises.

C) Tenant shall have the right to use the easements for parking, ingress and egress as set forth in the CC&R's.

ARTICLE IV RENT

4.01 Annual Fixed Rent.

A) Beginning on the Rent Commencement Date, Tenant shall pay to Landlord during the Lease Term Annual Fixed Rent in the amount of Six Hundred Forty-Four Thousand Four Hundred Twenty-Four Dollars (\$644,424,000) The Annual Fixed Rent shall be payable in advance in twelve (12) equal monthly installments. The Annual Fixed Rent shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 (B) below.

B) The Annual Fixed Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Annual Fixed Rent shall be increased on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by an amount of Fifty-Seven Thousand Five Hundred Thirty-Eight Dollars (\$57,538) greater than the Annual Fixed Rent payable immediately before the Adjustment date in question.

4.02 Percentage Rent.

In addition to the payment of Annual Fixed Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which eight percent (8%) of the Gross Sales for such Lease Year exceeds the Annual Fixed Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate. For the purpose of computing the Annual Percentage for the first Lease Year, the Gross

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sales and the annual fixed rate percentage for the partial calendar month, if any, preceding the first Lease Year shall be includable in the Annual Fixed Rate and Gross Sales for the first Lease Year.

Gross Sales shall mean all box office receipts, and receipts from sales of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant and returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions". Commissions paid to agencies or other third parties for selling tickets and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar officer of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of eighteen (18%) percent from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of ten (10%) per annum computed from the date such rent installment was due until the date actually paid.

4.06 Additional rent. Tenant shall pay as additional rent its pro-rata share of all Common Area Expenses including Property Taxes and Insurance in accordance with the CC&R's.

ARTICLE V TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Leased Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not

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any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay when due all impositions assessed, levied or attributable to the Leased Premises and/or the Improvements on the Leased Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

5.02 Exceptions from Impositions; Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.03 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.03. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.03.

5.04 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities consumed on the Leased Premises. Any utility improvements

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presently serving the Leased Premises shall be maintained, repaired and replaced by Tenant, at Tenant's expense.

5.05 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Leased Premises, Premises and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations, footings and underground improvements) as well as any and all improvements on the Leased Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) including Builder's Risk and earthquake to the extent of not less than 100% of the full replacement cost thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Upon written request, Tenant shall name Landlord and any parties requested by Landlord and the holder of the first mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Tenant in writing to disburse such insurance proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

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B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or proceeds received by the Tenant and/or Landlord shall be held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and Second, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVI hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Tenant and Landlord shall apply the proceeds of the insurance collected to the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Tenant and Landlord by the licensed architect or engineer in charge of the work. Any amounts payable to Tenant or any Affiliate of Tenant for work or services performed or materials provided as part of any such repair, replacement, restoration or rebuilding shall not exceed competitive rates for such services or materials and Tenant shall, upon request of Landlord, make available to Landlord and its representatives all books and records of Tenant relating to such work, services and materials. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Tenant or Landlord with respect to the damage or destruction involved, and not used, shall be and remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Tenant and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

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(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any Insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with the CC&R's as well as all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained, which approval shall not be unreasonably withheld.

B) Tenant shall at all times keep the Leased Premises, Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

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(C) Upon termination of this Lease, Tenant may, at its option, remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance.

Tenant shall, at its sole cost and expense, maintain and repair the Leased Premises and Tenant's Building and all improvements on the Leased Premises including all exterior lighting and signs.

Tenant shall commence all of the repairs and maintenance within 3 days after receiving notice thereof from Landlord (provided that in the case of an emergency Tenant shall commence such work immediately upon receiving notice) and shall be diligently completed in a good and workmanlike manner. Notwithstanding the foregoing, Landlord shall have the right and option (but not the obligation) to undertake any such repair, maintenance or other items, in which event Tenant shall reimburse Landlord for all of the costs thereof within 30 days after Landlord's request therefor. If Tenant fails to reimburse Landlord within the 30 day period, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum until such payment has been made.

ARTICLE VIII ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; all as amended, or any State of Nevada or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.02 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Leased Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Leased Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Leased Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or

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about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

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8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any cleanup, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Tenant at its sole cost and expense shall keep and maintain the Leased Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Leased Premises.

8.05 Landlord's Responsibilities.

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A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Leased Premises or any other portion of the Premises by Landlord, its agents, employees, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Leased Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

**ARTICLE IX
IMPROVEMENTS**

9.01 Tenant Improvements.

(A) Tenant at its sole cost and expense shall complete all the required on-site and off-site improvements, including all signs, required for the development of the Leased Premises. In addition Tenant shall construct a motion picture theater building on the Premises containing approximately fifty-seven thousand five hundred thirty-eight (57,538) square feet with fourteen auditoriums.

(B) Landlord agrees to provide Tenant with an improvement allowance of up to a maximum of Four Million Eight Hundred Ninety Thousand Seven Hundred Thirty Dollars (\$4,890,730) \$85 per square foot-(Tenant Allowance). Tenant shall pay any difference between the total Tenant Building and improvement cost less the Tenant Allowance. Landlord agrees that it shall pay to Tenant, or at Tenant's direction, to Tenant's contractor, within fifteen (15) days following Landlord's receipt of conditional lien waivers

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signed by its contractor, in form reasonably sufficient to waive lien rights in Washoe County, Nevada, an amount equal to the Tenant Allowance multiplied by the percentage of work completed as of the date of the lien waivers, less any installments of Tenant Allowance already paid. If the total contract for Tenant's Work exceeds Tenant's Allowance, Landlord shall only be required to pay its pro-rata share which shall be the ratio of Tenant's Allowance to the total of Tenant's Work. If Landlord disputes any portion of the request for payment by Tenant due to faulty or incomplete work, then Landlord shall withhold a sum which, in Landlord's opinion would be required to correct or complete the disputed work. In this event, Landlord shall submit a written "punch list" to Tenant. Anything above to the contrary notwithstanding, Landlord shall have no obligation to pay any portion of the construction allowance if Tenant is then in default of any of the terms and provisions of this Lease.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of by Tenant of Tenant's Building or Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits: Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership of Improvements.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein excluding moveable trade fixtures and personal property of Tenant, shall become the property of Landlord, unless and to the extent Landlord elects to have Tenant remove any of the foregoing pursuant to Section 9.04 (B).

B) Tenant shall have the right to remove all trade fixtures, equipment and furnishings, including seats, carpets, draperies, screen, sound reproducing equipment, projection equipment, furniture and lobby frames from the Premises without notice to Landlord provided, Tenant replaces all items removed with items of similar quality or better quality and the foregoing shall remain the property of the Tenant at the expiration or earlier termination of the Lease. In addition, Landlord shall have the right if Landlord so elects by giving written notice to Tenant of such election at any time before ninety (90) days prior to the end of the Term (including any renewals or extensions) hereof for Tenant to remove at Tenant's sole cost any other Improvements and all additions, alterations and improvements thereto or replacements thereof erected, constructed, or installed on the Premises. The removal of any of the foregoing shall be completed within thirty

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(30) days following the end of the Term hereof (including any renewals thereof or any earlier termination permitted by this Lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X INDEMNITY

10.01 Landlord's Indemnity. Except to the extent attributable to the intentional and negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), directly or indirectly arising out of or attributable to (i) any intentional or negligent act or omission of Tenant, its agents, employees, licensees, invitees or contractors on the Leased Premises, occurring within the Leased Premises or (ii) arising from Tenant's or its employees use of the Leased Premises.

10.02 Tenant's Indemnity. Except to the extent attributable to the intentional and negligent acts or omissions of Tenant and its agents, employees, tenants, licensees and contractors, Landlord shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant (and its successors, assigns and subletees), and all of their directors, officers, employees and agents, hereinafter referred to as "Tenant Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), directly or indirectly arising out of or attributable to (i) any intentional or negligent act or omission of Landlord, its agents, employees, licensees, invitees on the Leased Premises or contractors, occurring within the Leased Premises, or (ii) arising from Landlord's use of the Leased Premises.

ARTICLE XI ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld and subject to the CC&R's, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease and CC&R's. Landlord shall be entitled to all rent from any assignment or sublease in excess of the Annual Fixed Rent set forth in this Lease.

B) Any assignment of this Lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without Landlord's consent, assign this Lease (a) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenant's Parent Corporation), or (b) to Tenant's Parent Corporation, or (e) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of

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Tenant or of Tenant's Parent Corporation, provided that such corporation duly and validly then guarantees the performance of the obligations under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord in writing of any assignment of the Lease ten (10) days prior to such event.

**ARTICLE XII
MORTGAGE SUBORDINATION**

12.01 Existing Mortgages. If there is an existing mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises or in any other part of the Leased Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

12.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

**ARTICLE XIII
CONDEMNATION — EMINENT DOMAIN**

13.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Leased Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to the Leased Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking serving the Leased Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, or any Improvements thereon or parking serving the Leased Premises which is not a Total Taking.

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D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

13.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

- A) Notice of Intended Taking;
- B) Service of any legal process relating to condemnation of the Premises or improvements;
- C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or
- D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

13.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

13.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

- A) To Landlord, the amount awarded, if any for the Fair Market Value of all Land, buildings and other improvements on the Leased Premises and all Severance Damages.
- B) To Tenant, the amount awarded, if any, for loss of goodwill, lost business, lost profits, relocation expenses and fixtures; and
- C) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 13.04 out of amounts awarded by the governmental body taking the Premises.

13.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises or the parking taken bears to the total area of the Premises or the parking.

13.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty-three percent (33%) of the Building or thirty-three (33%) of the parking serving the Leased Premises is taken by condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever

occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

13.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses, fixtures and relocation expenses against the acquiring governmental Agency.

ARTICLE XIV DEFAULT

14.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Fixed Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease; provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

14.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 14.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

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C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 14.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 14.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 14.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 14.02(C), Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 14.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at ten percent (10%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

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14.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

14.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

14.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 14.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party, which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. Arbitration shall be conducted under the Commercial Arbitration Rules of the American Arbitration Association.

14.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as

may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

**ARTICLE XV
REPRESENTATIONS AND WARRANTIES**

15.01 Landlord's Representations and Warranties. Landlord represents and warrants:

- A) Landlord is the fee owner of the Premises.
- B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.
- C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Leased Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.
- D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.
- E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets
- F) The title to the Leased Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.
- G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

15.02 Tenant's Representations and Warranties. Tenant represents and warrants:

- A) Tenant is a Delaware corporation in good standing.
- B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.
- C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

**ARTICLE XVI
DAMAGE OR DESTRUCTION**

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16.01 Repairs, Alterations and Further Improvements.

In the event of damage to or destruction of the Tenant's Building or any Improvements on or to the Premises whether or not covered by the insurance described in Article 6: Tenant shall effect, at Tenant's sole cost and Landlord and Tenant agree that the funds derived from insurance acquired pursuant to Article 6 shall be made available to effect, such repair and reconstruction of the structure or improvement so damaged or destroyed to substantially its condition prior to said damage or destruction with such alterations thereto as Tenant shall reasonably determine prudent or valuable under the circumstances, including any changes required to comply with applicable law, with the then prevailing construction practices applicable to the Premises. Tenant shall be responsible for all costs, in excess of Insurance proceeds available. All such work shall be carried on in accordance with Drawings prepared by a licensed architect or architects approved by Landlord (acting reasonably) if such an architect is reasonably required, given the scope and nature of the work. In disbursing insurance proceeds the Tenant and Landlord may rely upon and accept the certified determinations of such architect with respect to estimated costs, awarding of contracts, sufficiency of bonds, progress of construction, interpretation of plans and specifications, compliance with same, and completion of construction. No extras or changes in Drawings shall be made by Tenant without first giving written notice of such changes to Landlord and obtaining Landlord's approval thereof (which approval shall not be unreasonably withheld or delayed).

If such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto, the Lease shall Terminate and any insurance proceeds shall become the property of Landlord.

16.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated or elects to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided and subject to the provisions of subparagraph (B) of Section 16.01), and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

16.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenantable, Rent shall thereafter not abate but continue for as long as and to the extent such Improvements are untenantable.

16.04 Damage During Last Two (2) Years of Term. If there occurs during the last two (2) years of the Initial Term or at any time during a Renewal Period damage or destruction to any improvement on or in the Premises and the costs of repairing, restoring, replacing or rebuilding the same exceed Five Thousand Dollars (\$500,000), then Tenant may elect to terminate the Term and, in such event, Tenant shall give notice to Landlord of its election within sixty (60) days after its determination of the amount of damage, and the Term shall thereupon terminate as of the date of such notice and all insurance proceeds shall become the property of Landlord.

**ARTICLE XVII
MISCELLANEOUS**

17.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Leased Premises shall be limited to its interest in the Leased Premises and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Leased Premises.

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17.02 Brokers. Landlord and Tenant each represent to the other that neither has any obligation to any broker or finder in connection with this transaction, and that no fee or commission is due any broker, finder, or similar person in connection herewith. Landlord and Tenant each indemnifies the other and agrees to hold the other harmless from and against any and all claims, demands, liabilities, lawsuits, costs, and expenses (including reasonable attorneys' fees) for any fee or commission due to any other broker, finder, or similar person in connection with this transaction and arising out of the act of the indemnifying party.

17.03 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

17.04 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

17.05 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of Nevada and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

17.06 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

17.07 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

17.08 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

17.09 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

17.10 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 17.11 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 17.11 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of

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the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent.

17.11 Addresses for Notices to Landlord and Tenant

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn.: Real Estate Department

To Tenant: Century Theatres, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

17.12 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

17.13 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

17.14 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges

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required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

17.15 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

17.16 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

17.17 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

17.18 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

17.19 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Leased Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

17.20 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

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17.21 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

17.22 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

17.23 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

- A) Terminate any existing subleases or subtenancies; or
- B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES, INC.

a Delaware Corporation

By: /s/ Joseph Syufy

Print Name: Joseph Syufy

Title: SR Ex V.P.

LANDLORD:

SYUFY ENTERPRISES

a California Limited Partnership

By: /s/ Raymond W. Syufy

Print Name: Raymond W. Syufy

Title: GNL PTR

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THIRD AMENDMENT TO LEASE

(Sparks, Nevada)

THIS THIRD AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Landlord (then known as Syufy Enterprises ("Original Landlord")) and Century Theatres, Inc., a Delaware corporation ("Original Tenant"), entered into a certain Lease dated as of March 7, 1997 (the "Original Lease"), for certain premises located in Sparks, Nevada.

B. The Original Lease has been previously amended by (i) that certain First Amendment to Lease dated as of April 15, 2005 (the "First Amendment") and (ii) that certain Second Amendment to Lease dated as of September 29, 2005 (the "Second Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise an validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the Reno/Sparks metropolitan areas typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. Damage and Destruction — Repairs by Tenant Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) Tenant's Obligation to Repair. If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this (A) and (B), except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) Damage in Excess of 20%. If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in Section (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall

not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

“Gross Sales” shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from “Gross Sales” (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant’s actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called “four-wall deals” with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such “four-wall deals” shall be included in “Gross Sales” under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from “Gross Sales” (if and to the extent previously included in “Gross Sales”).

11. **Alterations by Tenant.**

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant’s exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics’ or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and

ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

12. **Rooftop Equipment and Access.** Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

13. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (i) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.
- (ii) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.

- (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.
- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.
- (v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

14. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class motion picture theatre complex (whether operated as a so-called "first-run" theatre, a "second run" theatre, and/or an "art house" theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called "adult" theater complex.

15. **No Obligation To Continuously Operate** Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

16. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as

otherwise provided in the Lease. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

17. **Intentionally Omitted**.

18. **Intentionally Omitted**.

19. **Intentionally Omitted**.

20. **Notices**. The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with applicable law.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: President
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with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601
Attention: David Sickie, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Piano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

21. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

22. **Prior Amendments.** The First Amendment and the Second Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall supersede such First Amendment and Second Amendment in their entirety.

23. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy
Name: Joseph Syufy
Title: CEO

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond syufy
Name: Raymond syufy
Title: CEO

CENTURY STADIUM PROMENADE LEASE
BY AND BETWEEN
SYUFY ENTERPRISES
CALIFORNIA LIMITED PARTNERSHIP
LANDLORD
AND
CENTURY THEATRES, INC.
DELAWARE CORPORATION
TENANT

CENTURY STADIUM PROMENADE LEASE

THIS LEASE AGREEMENT (referred to herein as the "Lease") is made this 1st day of October, 1996, by and between Syufy Enterprises, a California Limited Partnership, ("Landlord"), and Century Theatres, Inc., a Delaware Corporation ("Tenant").

ARTICLE I

EXHIBITS AND BASIC LEASE TERMS

Section 1.01. Attachments to Lease and Exhibits:

EXHIBIT A — Site Plan for "Entire Premises" commonly known as the "Century Stadium Promenade" showing the location of the Tenant's Building outlined in red.

EXHIBIT B — Tenant Sign Criteria

Section 1.02. Basic Lease Terms and Definitions.

1.02.1. "Entire Premises" shall mean "Century Stadium Promenade" located in the City of Orange, State of California.

1.02.2. "Commencement date shall mean the date which is the earlier of (i) nine months after Tenant has received a building permit for the construction of Tenant's Building or (ii) the date on which Tenant opens for business in the Premises.

1.02.3. "Term" shall mean Initial Term of twenty (20) years with two five (5) year options and one four (4) year option.

1.02.4. Tenant's Trade Name. Century Theatres.

1.02.5. Floor Area. Approximately 99,870 square feet.

1.02.6. Minimum Rent.

<u>Dollars/ Years</u>	<u>Dollars/Month</u>	<u>Dollars/sq. ft.</u>	<u>Years</u>
\$2,197,140.00	\$183,095.00	\$22.00	1-5
\$2,346,945.00	\$195,578.75	\$23.50	6-10
\$2,496,750.00	\$208,062.50	\$25.00	11-15
\$2,646,555.00	\$220,546.25	\$26.50	16-20
\$2,796,360.00	\$233,030.00	\$28.00	21-25
\$2,946,165.00	\$245,513.75	\$29.50	26-30
\$3,095,970.00	\$257,997.50	\$31.00	31-34

1.02.7. Percentage Rate. 8%

1.02.8. Premises. Century Stadium Theatre Parcel.

1.02.9. Use of Premises. A Motion Picture Theatre.

1.02.10. Contribution to Grand Opening Fund. \$1,000.00

1.02.11. Security Deposit. None.

ARTICLE II

LEASED PREMISES

Section 2.01. Leased Premises.

Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord, those certain premises and improvements located in the Entire Premises, consisting of approximately 99,870 square feet of gross leasable area, (the "Premises" or "Leased Premises"). "Area" means all areas designated by Landlord for the exclusive use of Tenant. The boundaries and location of the Premises are depicted on the site plan of the Entire Premises, which is attached hereto as Exhibit A (the "Site Plan") and shall be deemed to include the entryway to such building. The site plan and shape and dimensions of the area of the Premises are depicted on Exhibit A.

Section 2.02. Reservations.

Landlord reserves the right at any time to make alterations or additions and to construct other buildings, improvements, alterations or additions in the Entire Premises. These alterations and additions however shall not materially impede reasonable access to the Premises. Easements for light and air are not included in the Premises. Landlord further reserves the right to go on the roof of the Premises for the purpose of effecting certain items of repair and maintenance as provided in this Lease.

Section 2.03. Right to Relocate.

Landlord reserves the right at any time to make changes to the various buildings, parking, and other common areas as shown on the Site Plan.

Section 2.04. Conditions of Record.

Landlord’s Title is subject to: (a) the effect of any covenants, conditions, restrictions, easements, development agreements, mortgages or deeds of trust, ground leases, rights of way, and other matters or documents of record now or hereafter recorded against Landlord’s title, (b) the effects of any zoning laws of the city, county and state where the Entire Premises is situated, and (c) general and special taxes and assessments not delinquent. Tenant agrees (I) that as to its leasehold estate it, and all persons in possession or holding under it, will conform to and will not violate said matters of record, and (ii) that this Lease is and shall be subordinate to said matters of record and any amendments or modifications thereto.

ARTICLE III

TERM

Section 3.01. Commencement of Term.

This Lease shall be effective upon mutual execution. The term of this Lease the (“Term”) shall commence as specified in Section 1.02.2 and shall continue for the term specified in Section 1.02.3 unless sooner terminated in accordance with the provisions of this Lease. The term shall commence from the first day of the month following the Rent Commencement Date. If the Term commences prior to Tenant’s obligation to pay rent, Tenant shall be required to pay all sums set forth in Section 12.05 of this Lease on the day the Term commences. Upon request of Landlord, Tenant shall execute a written confirmation of the commencement of the Term and the Rent Commencement Date upon a form to be supplied by Landlord.

Section 3.02. Extension of Term.

Tenant shall have the right to extend the term of this Lease for two (2) additional five (5) year period(s) and one (1) additional four (4) year period under the same terms and conditions as the original Lease, except for the amount of Minimum Rent. It is understood that this option is unique to Century Theatres, Inc., and upon any assignment or subletting, without Landlord’s consent, the option shall be rendered null and void. If Tenant is in default on the date of giving the option notice, the option notice shall be totally ineffective, or if Tenant is in default on the date the extended term is to commence, the extended term shall not commence and this Lease shall expire at the end of the initial term.

In order to exercise such option to renew or extend this Lease, Tenant shall give to Landlord notice, in writing, of its intention to do so at least one hundred eight (180) days prior to then applicable expiration date of this Lease, and if Tenant shall fail to timely give such notice, all rights and privileges as granted to Tenant to renew or extend this Lease shall thereupon be null and void.

ARTICLE IV

RENT

Section 4.01. Rent Commencement Date.

Tenant’s obligation to pay Minimum Rent and Percentage Rent under this Lease shall commence on the first to occur of (the “Rent Commencement Date”): (a) the date Tenant first opens for business to the public in the Premises; or (b) nine months after Tenant has obtained a building permit for the construction of Tenant’s Building. If the Rent Commencement Date does not occur on the first day of the month, Tenant shall pay rent for the fractional month on a per diem basis (calculated on the basis of a thirty day month) until the first day of the month next succeeding the date Tenant’s obligation to pay rent commences. The Minimum Rent shall be paid thereafter in equal monthly installments on or before the first day of each month in advance without demand or offset. The Minimum Rent to be paid by Tenant during the Term of this Lease is set forth in Section 1.02.6

Section 4.02. Percentage Rent

In addition to the Minimum Rent and all other sums designated in this Lease to be paid as Rent, Tenant shall pay Landlord Percentage Rent for each fiscal year during the Term, or fractional period thereof. In the event that Tenant commences business in the Premises prior to October 1, but after the preceding September 1, the period prior to October 1 and after January 1 shall be added to and included in the first full fiscal year of the Term, and Tenant’s Minimum Rent for that month or partial month shall be included in the Minimum Rent figure for such full fiscal year.

If Tenant actually commenced business in the Premises prior to October 1, for more than one month, then Percentage Rent shall be computed based on such partial year. If the Term expires on a day other than September 30, then Tenant's Percentage Rent shall be computed based on such partial fiscal year.

Percentage Rent shall be calculated as follows:

1. Tenant's annual Minimum Rent divided by the Percentage Rent Rate (specified in Section 1.02.7) equals "Percentage Rent Break Point".
2. If Tenant's Gross Receipts for the calendar year exceed the Percentage Rent Break Point, Tenant shall pay the Percentage Rent Rate of Tenant's Gross Receipts less Minimum Rent actually paid.
3. Example of the foregoing:

Tenant's annual Minimum Rent	=	\$120,000.00
Percentage Rent Rate	=	6%
Percentage Rent Break Point (\$120,000/6%)	=	\$2,000,000.00
Gross Receipts	=	\$2,400,000.00
\$2,400,000 x 6%	=	\$144,000.00
Less Minimum Rent Paid		(120,000.00)
Tenant owes as Percentage Rent		\$24,000.00

Within sixty (60) days following the end of each calendar year, Tenant shall deliver to Landlord the written statement required by Section 6.02 of this Lease showing Tenant's Gross Receipts for the preceding calendar year. Tenant shall pay to Landlord at the time of delivery of the written statement the percentage specified in Section 1.02.7 of the amount by which such Gross Receipts exceeded the Percentage Rent Break Point, less any Minimum Rent previously paid with respect to that calendar year

Section 4.03. Gross Receipts Defined.

"Gross Receipts" means (a) the entire amount charged for the full price at the time of the initial transaction for all merchandise sold or delivered or services rendered by Tenant whether for cash or credit; (b) the gross amount received or charged by Tenant for merchandise sold or services rendered pursuant to orders received by telephone, mail, house to house, or by other canvassing, and attributable to the Premises whether or not filled elsewhere; and (c) all gross income of Tenant from any operation in, at, from or through the use of the Premises. Excluded from the calculation of "Gross Receipts" are (i) cash refunded or credit allowed on merchandise returned by customers; (ii) sales taxes, excise taxes, other similar taxes; (iii) proceeds from sales of fixtures, equipment, or property which are not stock-in-trade; (iv) sales to employees representing discounts or compensation benefits and for which Tenant realizes no monetary profit in an amount not to exceed two percent (2%) of Gross Receipts and (v) EBF passes..

Section 4.04. Additional Rental.

All other sums required to be paid by Tenant to Landlord pursuant to this lease in addition to Minimum Rent and Percentage Rent, whether or not designated as rent and additional rent, unless otherwise specified. Rent for any period which is less than one (1) month shall be a prorated portion of the monthly rent installment based upon a thirty (30) day month.

Section 4.05. Late Payment.

If the Tenant fails to pay the Minimum Rent or any installment thereof or Percentage Rent, if any, or any other additional rent due under this Lease within five (5) days after such Rent has become due, both Tenant and Landlord agree that Landlord will incur additional expenses consisting of extra collection efforts, handling costs and potential impairment of credit on loans which may be secured by this Lease. Both parties agree that should Tenant fail to pay its Rent, Landlord is entitled to compensation for detriment caused by the failure, but that it is extremely difficult and impractical to ascertain the extent of the detriment. The parties therefore agree that should Tenant fail to pay any Rent due hereunder within five (5) days after the same becomes due, Landlord shall be entitled to recover from Tenant five percent (5%) of the amount past due as liquidated damages. Such past due amounts shall also bear interest at the maximum rate allowed by law from the date due until paid. Tenant further agrees to pay Landlord any costs incurred by Landlord in the collection of such past due Rent including, but not limited to, fees of an attorney and/or collection agency. Nothing herein contained shall limit any other remedy of Landlord under this Lease. Landlord shall also have the right to require Tenant to pay any past due sums by cashier's check or money order.

Further, should Tenant fail to pay Rent or any other charges due hereunder in the time periods set forth herein, two (2) or more times during any calendar year of the Term, Landlord may require Tenant to thereafter pay Rent in quarterly installments in advance for the balance of the Term.

ARTICLE V
CONSTRUCTION OF LEASED PREMISES

Section 5.01. Landlord's and Tenant's Obligations.

(a) Landlord's Obligation:

Subject to delay as provided in this Lease, Landlord, at its own cost and expense, shall develop the building pad in accordance with plans and specifications prepared by Landlord or Landlord's architect, including the design and construction of all utility lines to the boundary of the Premises in adequate size to service Tenant's requirements.

(b) Tenant's Obligation:

Tenant shall construct the theatre building and improvements in accordance with plans and specifications prepared by Tenant. Any work to be performed by Tenant and any permits, fees or applications for such work shall be performed or obtained by Tenant at its sole cost and expense (collectively, "Tenant's Work"). Tenant shall pay for any equipment or work to be installed in or constructed on the Premises by Landlord other than Landlord's Work prior to commencement of construction or installation of such additional items.

(c) Tenant's Allowance.

Landlord agrees to provide Tenant with an improvement allowance of up to a maximum of Eight Million Four hundred Eighty Eight thousand Nine Hundred Fifty (\$8,488,950) dollars (\$85 per square foot) (Tenant Allowance). Tenant shall pay any difference between the total Tenant building and improvement cost less the Tenant Allowance. Landlord agrees that it shall pay to Tenant, or at Tenant's direction, to Tenant's contractor, within fifteen (15) days following Landlord's receipt of conditional lien waivers signed by its contractor, in form reasonably sufficient to waive lien rights in Orange County, California, an amount equal to the Tenant Allowance multiplied by the percentage of work completed as of the date of the lien waivers, less any installments of Tenant Allowance already paid. If the total contract for Tenant's Work exceeds Tenant's Allowance, Landlord shall only be required to pay its pro-rata share which shall be the ratio of Tenant's Allowance to the total of Tenant's Work. If Landlord disputes any portion of the request for payment by Tenant due to faulty or incomplete work, then Landlord shall withhold a sum which, in Landlord's opinion would be required to correct or complete the disputed work. In this event, Landlord shall submit a written "punch list" to Tenant.

Anything above to the contrary notwithstanding, Landlord shall have no obligation to pay any portion of the construction allowance if Tenant is then in default of any of the terms and provisions of this Lease.

Section 5.02. Possession.

Upon substantial completion by Landlord of Landlord's Work on the Premises, Landlord shall deliver the Premises to Tenant. Tenant waives any right or claim against the Landlord for any cause directly or indirectly, arising out of the condition of the Premises, appurtenances thereto, the improvements thereon and the equipment thereof. Tenant shall save and hold harmless the Landlord from liability as provided in this Lease. Landlord shall not be liable for any latent or patent defects therein.

Section 5.03. Commencement of Construction and Completion.

Prior to commencement of Tenant's Work, Tenant shall notify Landlord in writing of the date Tenant will commence construction. Tenant's contractor shall commence the construction of Tenant's Work promptly upon possession of the Premises by Tenant and shall diligently pursue such construction to completion. Tenant shall record within ten (10) days of completion of Tenant's Work, a valid Notice of Completion and thereafter deliver to Landlord prior to opening for business a certified copy of such Notice along with final lien releases for all contractors, subcontractors, materialmen and suppliers covering all improvements and work performed by Tenant and/or Tenant's contractor on the Premises.

Section 5.04. Delay in Possession

Landlord shall not be liable for failure to deliver possession of the Premises to Tenant. If Landlord fails to deliver possession of the Premises on or before the expiration of two (2) year from the date of lease execution (subject to extension for any force majeure or inability to obtain financing), either party may terminate this Lease by giving thirty (30) days written notice to the other party. Thereafter, neither party shall have any further liability to the other in connection with this Lease.

ARTICLE VI
RECORDS AND BOOKS OF ACCOUNT

Section 6.01. Tenant's Records.

Tenant shall maintain and keep on the Premises or at Tenant's principal office in California for a period of not less than three (3) years following the end of each year during the Term, adequate records which show Gross Receipts, inventories and receipts of merchandise at the Premises, and daily receipts from all sales and other transactions on the Premises by Tenant and any other persons conducting any business upon the Premises. Tenant shall record at the time of sale, in the presence of the customer, all receipts from sales or other transactions, whether for cash or credit, in a cash register or in cash registers having a cumulative total which shall be sealed in a reasonable manner, and having such other reasonable features as may be appropriate or required in order to properly account for and record all sales or other transactions in and from the Premises. If upon an audit of Tenant's books and records by Landlord, Landlord determines that Tenant's manner of recording sales is inadequate, Tenant agrees to adopt such measures as Landlord may reasonably request to correct such inadequacies. Tenant further agrees to keep on the Premises or at Tenant's principal office in California for at least three (3) years following the end of each year during the Term all pertinent original sales records. Original

sales records may include any or all of the following: (a) cash register tapes, including tapes from temporary registers; (19) serially numbered sales slips; (c) computer printouts and computerized sales slips; (d) the originals of all mail orders at and to the Premises; (e) the original records of all telephone orders at and to the Premises; (f) settlement report sheets of transactions with subtenants, concessionaires and licensees; (g) the original records showing that merchandise returned by customers was purchased at the Premises by such customers; (h) memorandum receipts or other records of merchandise taken out on approval; (I) records of inventory purchases; (j) such other sales records, if any, which would normally be examined by an independent accountant pursuant to generally accepted auditing standards in performing an audit of Tenant's Gross Receipts; and (k) the records specified in (a) to (j) above for subtenants, assignees, concessionaires or licensees of Tenant.

Section 6.02. Reports by Tenant.

Tenant shall submit to Landlord on or before the sixtieth (60th) day following each calendar year during the Term hereof at the place then fixed for the payment of rent, or at such other place designated by Landlord, a written statement signed by Tenant, and certified by it to be true and correct, showing in reasonable, accurate detail, the amount of Gross Receipts for each preceding year.

Tenant shall submit to Landlord on or before the sixtieth (60th) day following the end of each calendar year at the place then fixed for the payment of rent, a written statement signed by Tenant, and certified to be true and correct showing in reasonably accurate detail satisfactory in scope to Landlord, the amount of Gross Receipts during the preceding calendar year. At Landlord's option, the written statement shall be duly certified to Tenant and Landlord by independent certified public accounts of recognized standing. The accounting statement referred to in this Section 6.02 shall be in such form and style and contain such details and breakdown as the Landlord may reasonably require.

If Tenant fails to timely submit to Landlord either the monthly or annual written statement described in this Section 6.02, Tenant shall pay to Landlord, as additional rent and without limiting any other remedy Landlord may have against Tenant under this lease as a result of this breach, a \$100.00 (increased each year according to the Index) charge for each and every month that the Tenant fails to timely submit such written statement. Alternatively, Landlord shall have the right, upon five (5) days written notice, to audit Tenant's records at Tenant's expense.

Section 6.03. Annual Balance Sheet

Tenant shall provide Landlord, whenever reasonably requested by Landlord, a current annual balance sheet for Tenant's business at the Premises, either certified by Tenant or if Tenant is a corporation, by Tenant's chief financial officer, to be true and correct or accompanied by a report of an independent certified public accountant.

ARTICLE VII

AUDIT

Section 7.01. Right to Examine Books.

The acceptance by Landlord of payments of Percentage Rent shall be without prejudice to Landlord's right to examine Tenant's books and records concerning Gross Receipts from the Premises.

Section 7.02. Audit.

As its option, Landlord may cause, at any reasonable time and upon five (5) days prior written notice to Tenant, a complete audit to be made of Tenant's entire business affairs and records relating to the Premises for the period covered by any statement issued by the Tenant in accordance with Section 6.02. If such audit discloses that Tenant has under-reported Gross Receipts by more than three percent (3%) for such period, Tenant shall promptly pay to Landlord within ten (10) days the cost of its audit and any deficiency in amounts owed as disclosed by the audit. The deficiency shall be considered a late payment pursuant to Section 4.06. In the event that Tenant is in default of this Lease by under-reporting Gross Receipts by more than three percent (3%) as determined by two successive audits, Landlord may terminate this Lease upon five (5) days written notice to Tenant. In such event, Landlord shall have all remedies set forth in Section 22.02.

ARTICLE VIII

TAXES

Section 8.01. Real Property Taxes.

Tenant agrees to pay its pro rata share of all general and special real property taxes and assessments and governmental levies and charges of any and every kind, nature and sort whatsoever, ordinary and extraordinary, foreseen and unforeseen, and substitutes therefor or supplements thereto, including the cost to Landlord of any appeals or contests of any taxes or assessments, except any inheritance, estate, succession, transfer or gift tax imposed on Landlord or any income tax specifically payable by Landlord as a separate tax-paying entity without regard to Landlord's income source as arising from or out of the Entire Premises (collectively "Real Property Taxes"), which may be levied or assessed by any lawful authority against the Entire Premises applicable to the period from the commencement of the Term until the expiration or sooner termination of this Lease. Tenant's pro rata share shall be apportioned according to the floor area of the Premises as it relates to the total leasable floor area of the Building or buildings located within the Entire Premises (including the Premises). Notwithstanding the foregoing provisions, if the Real Property Taxes are not levied and assessed against the Entire Premises by means of a single tax bill (i.e., if the Entire Premises is separated into two (2) or more separate tax parcels for purposes of levying and assessing the Real Property Taxes), then, at Landlord's option, Tenant shall pay Tenant's pro rata share of all Real Property Taxes which may be levied or assessed by any lawful authority against the land and

improvements of the separate tax parcel on which the Building containing the Premises is located. Tenant's pro rata share under such circumstances shall be apportioned according to the floor area of the Premises as it relates to the total leasable floor area of the Building or buildings situated in the separate parcel in which the Premises are located.

All Real Property Taxes for the tax year in which the Term commences and for the tax year in which this Lease terminates shall be apportioned and adjusted so that Tenant shall not be responsible for taxes and assessments for a period of time occurring prior to the time the Term commences or subsequent to the Term.

The amount to be paid pursuant to the provisions of this Section 8.01 shall be paid monthly in advance without demand or offset as estimated by Landlord based on the most recent tax bills and estimates or reappraised values (if reappraisal is to occur), commencing with the month (or partial month on a prorated basis if such be the case) that the Term commences.

If at any time during the Term, a tax, fee or excise is levied or assessed by any political body against Landlord on account of rent payable to Landlord hereunder, the square footage of the Premises, the act of entering into this Lease or the occupancy of Tenant or any other tax however described or any tax based on or measured by expenditures made by Tenant on behalf of Landlord, including the so-called value added tax, such tax, fee or excise shall be considered "Real Property Taxes" for purposes of this Section 8.01, and shall be payable in full by Tenant. At Landlord's option, such taxes, fees or excises shall be payable monthly in advance on an estimated basis as provided in this Section 8.01 or shall be payable within ten (10) days after Tenant's receipt of the tax bill therefor from Landlord.

Section 8.02. Increase in Taxes.

In addition to the Real Property Taxes described above in Section 8.01, Tenant shall pay one hundred percent (100%) of any increase in Real Property Taxes as a result of any Tenant's Work or any other leasehold improvements, alterations or changes made by Tenant to the Premises during the Term. Tenant shall reimburse Landlord promptly upon demand.

Section 8.03. Personal Property Taxes.

Tenant shall pay prior to delinquency all federal, municipal, county or state taxes, charges, assessments and fees assessed during the Term against any leasehold interest or personal property of any kind, owned by or placed in, upon or about the Premises by Tenant.

ARTICLE IX SECURITY DEPOSIT

Section 9.01. Amount of Deposit.

Upon signing this Lease, Tenant shall deposit with Landlord the sum set forth in Section 1.02.12 herein ("Security Deposit"). This Security Deposit shall be held by Landlord, without liability for interest, as partial security for the full and faithful performance by Tenant of all the terms, covenants, and conditions of this Lease to be performed by Tenant. Landlord may commingle the Security Deposit and shall not be required to keep it separate from its general funds.

Section 9.02. Use and Return of Deposit.

In the event of the failure of Tenant to abide by any of the terms, covenants and conditions of this Lease, then Landlord, at its option, may use any amount of the Security Deposit to compensate Landlord for any loss or damage sustained or suffered due to such failure by Tenant. The entire Security Deposit, or any portion thereof, may also be applied by Landlord to the payment of overdue rent or other sums due and payable to Landlord by Tenant hereunder. In this event, Tenant, upon the written demand of Landlord, shall immediately remit to Landlord a sufficient amount in the form of a cashier's check to restore the Security Deposit to the original sum deposited. Failure to do so within five (5) days after such demand shall constitute a material breach of this Lease. Should Tenant comply with all of the terms, covenants and conditions of this Lease and promptly pay when due all of the Rent and all other sums payable by Tenant to Landlord, the Security Deposit will be returned to Tenant in accordance with applicable law.

Section 9.03. Transfer of Security Deposit.

Landlord shall deliver the Security Deposit to the purchaser of Landlord's interest in the Premises, in the event that such interest is sold, and upon delivery, Landlord shall be discharged from any further liability respect to repayment of the Security Deposit to Tenant.

ARTICLE X CONDUCT OF BUSINESS BY TENANT

Section 10.01. Use of Premises.

Tenant shall use the Premises solely for the use and under the trade name specified in Sections 1.02.9 and 1.02.4, respectively, herein, and for no other purpose. The term "Use" shall mean the operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games, operation of concession stands, sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

Tenant shall not (a) do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other occupants of the Entire Premises or injure or annoy them, (b) cause, maintain or permit any nuisance in, on or about the Premises, (c) use or allow the Premises to be used for any unlawful purpose, (d) commit or allow to be committed any waste in or upon the Premises, (e) display or allow carts, pallets or similar items owned by or within the control of Tenant or Tenant's merchandise to be stored or to remain outside the defined exterior walls and permanent doorways of the Premises, (f) install any exterior lighting, amplifier or similar devices, or use in or about the Premises any advertising medium or device which may be heard or seen outside the Premises, such as flashing lights, search lights, loud speakers, phonographs or radio broadcasts, (g) permit to be conducted any sale by auction in, upon or from the Premises whether voluntary, involuntary, pursuant to any assignment for the payment of credits pursuant to any bankruptcy or any other insolvency proceedings, or any distress or fire or bankruptcy or going-out-of-business sale, or (h) conduct any sidewalk sale. Tenant shall at all times keep the Premises in a neat and attractive appearance.

Tenant shall not use, or permit the Premises, or any part thereof, to be used for any purposes other than the purposes for which the Premises are hereby leased. No gaming machines shall be permitted on the Premises. No use shall be made or permitted to be made of the Premises, nor acts done, which will increase the existing rate of insurance upon the Building or the Entire Premises, or cause a cancellation of any insurance policy covering the Building or the Entire Premises or any part thereof. Tenant shall not sell or permit to be kept, used, stored or sold in or about the Premises any article which may be prohibited by standard form fire insurance policies. Tenant, at its sole cost, shall comply with any and all laws concerning the Premises or Tenant's use of the Premises, including, without limitation, the obligation at Tenant's cost to alter, maintain or improve the Premises in compliance with and conformity with all laws relating to the condition, use or occupancy of the Premises during the term (including the Americans With Disabilities Act). Tenant shall also comply with the requirements of any insurance organization or company necessary for the maintenance of the fire and public liability insurance described in this Lease covering the Building and its appurtenances. If Tenant's use of the Premises results in a rate increase for the Building or the Entire Premises, Tenant shall pay with in ten (10) days of billing from Landlord, as additional rent, a sum equal to the additional premium caused by such rate increase.

Section 10.02. Operation of Business.

Tenant shall open for business in the Premises no later than the Rent Commencement Date and shall thereafter operate continuously for business to the public in the Premises. Tenant shall operate one hundred percent (100%) of the Premises during the entire Term with due diligence and efficiency so as to maximize the Gross Receipts which may be produced by Tenant's business therein. Tenant shall carry at all times in the Premises a stock of merchandise of such size, character and quality as shall be reasonably designed to produce the maximum return to Landlord and Tenant. Tenant shall conduct its business in the Premises during the usual and customary days and hours for such type of business, or during times designated by Landlord for other tenants at the Entire Premises. In the latter event, Landlord will notify Tenant in writing of the designated Entire Premises days and hours. Tenant's obligation to continuously operate its business in the Premises shall not apply if the Premises should be closed and the business of Tenant temporarily discontinued therein for not more than three (3) days out of respect to the memory of any deceased officer or employee of Tenant, or the relative of any such officer or employee. Tenant shall install and maintain at all times displays of merchandise in the display windows (if any) for the Premises. Tenant shall keep the display windows and signs, if any, in the Premises well lighted during the hours from sundown to 11:00 p.m.

In the event Tenant fails to take possession of the Premises or to open for business fully fixtured, stocked and staffed by the Rent Commencement Date, or fails to fully operate its business in the Premises at any time during the term in accordance with this Section 10.02, then Landlord, in addition to any and all remedies otherwise provided in this Lease, shall have the right to collect a sum equal to the greater of (i) twice the Minimum Rent per day, or (ii) \$100.00 for each and every day after the Rent Commencement Date that Tenant shall fail to be open for business in the Premises in accordance with the terms of this Lease. This additional rent is intended to compensate Landlord for loss of Rent that may have been earned during the period Tenant is not open for business, for damages suffered by the Landlord to the Entire Premises as a whole by reason of Tenant's not being open and for additional costs and expenses that Landlord may incur by reason of increased administrative expenses and security costs for the Entire Premises. Tenant acknowledges and agrees that Landlord is executing this Lease in reliance on Tenant's covenant and obligation to continuously operate its business in the Premises in accordance with this Lease and that such obligation and covenant to the Landlord is a material element of consideration inducing Landlord to execute this Lease. The foregoing provision for additional rent shall not apply during any temporary closure for a maximum of three (3) days as set forth above, or due to casualty damage or condemnation (in which either event Tenant shall recommence the conduct of its business in accordance with the terms of this Lease within the time periods specified in this Lease after restoration and redelivery of the Premises to the Tenant).

Section 10.03. Competition.

During the Term, neither Tenant, nor any entity owned or controlled directly or indirectly by Tenant, its partners, shareholders or directors, shall, without the prior written consent of Landlord, directly or indirectly engage in any similar or competing business with that to be operated by Tenant in the Premises within a radius of two (2) miles from the outside boundary of the Entire Premises.

Section 10.04. Storage, Office Space.

Tenant shall warehouse, store and/or stock in the Premises, only such goods, wares and merchandise as Tenant intends to offer for retail sale at, in, from or upon the Premises. This shall not preclude occasional emergency transfers of merchandise to the other stores of Tenant, if any, not located in the Entire Premises. Tenant shall use for office, clerical or other non-selling purposes only such space in the Premises as is from time to time reasonably required for Tenant's business in the Premises.

Section 10.05. Compliance with Environmental Laws.

Tenant at all times and in all respects shall comply with all federal, state and local laws, ordinances and regulations (“Hazardous Materials Laws”) relating to industrial hygiene, environmental protection or the use, generation, manufacture, storage, disposal or transportation of any hazardous, toxic, contaminated or polluting materials, substances or wastes, including, without limitation, oil or other petroleum products, flammable explosives, asbestos, or any “hazardous substances,” “hazardous wastes,” “hazardous materials” or “toxic substances” regulated under any Hazardous Material Law (collectively, “Hazardous Materials”). Tenant at its own expense shall procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required for Tenant’s use of the Premises. In all respects, Tenant shall handle, treat, deal with, manage and dispose of any and all Hazardous Materials in total conformity with all applicable Hazardous Materials Laws and prudent industry practices. Upon expiration or earlier termination of the term of the Lease, Tenant shall cause all Hazardous Materials to be removed from the Premises and transported for use, storage, or disposal in accordance and compliance with all applicable Hazardous Materials Laws. If Tenant fails to do so, Landlord may remove such Hazardous Materials at Tenant’s expense.

If at any time it reasonably appears to Landlord that Tenant is not maintaining sufficient insurance or other means of financial capacity to enable Tenant to fulfill its obligations to Landlord in connection with this Section 10.05, whether or not then accrued, liquidated, conditional or contingent, Tenant shall procure and thereafter maintain in full force and effect such insurance or other form of financial assurance, with or from companies or persons and in forms reasonably acceptable to Landlord, as Landlord may from time to time reasonably request.

Section 10.06. Sewer Damage

Tenant agrees not to discharge any acid or other harmful or dangerous chemicals into the sewer system, whether it be inside the Premises area or inside the main system leading from the Premises to the main sewer line. Should Tenant discharge any acid or harmful chemicals into the sewer system, Tenant shall be *fully* responsible for the cost and repair of such damage. Landlord reserves the right to select an expert of its choosing to inspect any damage at Tenant’s cost. Tenant shall not be responsible for cost of expert if it is determined such damage is not caused by Tenant. Tenant accepts responsibility for any damage if the following conditions exist: (a) the damage to the sewer system is determined to be due to the chemicals used in the operation of Tenant’s business; (b) the damage exists only in the designated portion of the sewer system.

Section 10.07. Tenant’s Use — No Nuisance

Tenant acknowledges that odors emanating from Tenant’s store as a result of Tenant’s operation can become a nuisance to other Tenants within the Entire Premises. Therefore, Tenant agrees to take whatever measures are necessary to eliminate odors emanating from the leased premises at Tenant’s sole cost and expense. If the odor problem is not remedied by Tenant, Landlord has the right to have odor nuisance inspected and remedied by an expert of Landlord’s and Tenant’s choosing at Tenant’s sole cost.

Section 10.08. Tenant’s Covenant

The Tenant herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions.

“That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, physical or mental disability or medical condition, national origin or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subleases, subtenants or vendees in the premises herein leased.”

ARTICLE XI

MAINTENANCE AND REPAIRS

Section 11.01. Tenant’s Maintenance Obligations.

Tenant, at its sole cost and expense, shall keep the Premises in first class order, condition and repair and shall make all replacements necessary to keep the Premises including the Theatre Building and improvements in such condition. All replacements shall be of a quality equal to or exceeding that of the original. Should Tenant fail to make these repairs and replacements or otherwise so maintain the Premises for a period of three (3) days after written demand by Landlord, or should Tenant commence, but fail to complete, any repairs or replacements within thirty (30) days after written demand by Landlord, Landlord may enter the Premises and make such repairs or replacements without liability to Tenant for any loss or damage that may occur to Tenant’s stock or business, and Tenant shall pay to Landlord the costs incurred by Landlord in making such repairs or replacements together with interest thereon at the maximum rate permitted by law from the date of commencement of the work until repaid. Tenant, at its expense, shall repair promptly any damage to the Building or the Entire Premises caused by Tenant or its agents or employees or caused by the installation or removal of Tenant’s personal property. Tenant shall contract with a service company licensed and experienced in servicing HVAC equipment and approved by Landlord for the quarterly maintenance of the HVAC equipment serving the Premises and shall provide Landlord with a copy of the service contract within ten (10) days following its execution. If Tenant fails to timely deliver a copy of the service contract, Landlord may impose a late charge in the amount of \$50.00 per month until the copy is delivered. The sum so billed to Tenant shall become immediately due to Landlord as additional rent. Landlord, at its option, may contract with a service company of its own choosing, or provide such service itself, for the maintenance of the HVAC equipment, and bill Tenant for the cost of same.

Tenant, at its own expense, shall comply with all requirements for the installation and periodic maintenance of the fire extinguisher or automatic dry chemical extinguishing system.

Section 11.02. Plate Glass.

Tenant shall promptly replace, at its expense, any and all plate and other glass damaged or broken from any cause whatsoever (except Landlord's direct act) in and about the Premises. Tenant shall have the option either to insure this risk or self insure.

**ARTICLE XII
COMMON AREA**

Section 12.01. Definition of Common Area.

The term "Common Area," as used in this Lease means all areas within the exterior boundaries of the Entire Premises now or later made available for the general use of Landlord and other persons entitled to occupy floor area in the Entire Premises. Without limiting this definition, Landlord may include in the Common Area those portions of the Entire Premises presently or later sold or leased until the commencement of construction of building(s) thereon, at which time such areas shall be withdrawn from the Common Area. Common Area shall not include (a) the entryway to a tenant's premises, (b) any improvements installed by a tenant outside of its premises, whether with or without Landlord's knowledge or consent, or (c) any areas or facilities that could be considered as Common Area except that the areas or facilities are included in the description of premises leased to a tenant.

Section 12.02. Maintenance and Use of Common Area.

The manner in which the Common Area shall be maintained shall be solely determined by Landlord. If any tenant of any portion of the Entire Premises maintains its own Common Area (Landlord shall have the right in its sole discretion to allow any tenant to so maintain its own Common Area and be excluded from participation in the payment of Common Area Expenses as provided below), Landlord shall not have any responsibility for the maintenance of that portion of the Common Area; Tenant hereby waives any claims or damages arising out of any failure of such Landlord or tenant to so maintain its portion of the Common Area.

The use and occupancy by Tenant of the Premises shall include the right to use the Common Area (except those portions of the Common Area on which have been constructed or placed permanent or temporary kiosks, displays, carts and stands and except areas used in the maintenance or operation of the Entire Premises), in common with Landlord and tenants of the Entire Premises and their customers and invitees, subject to such reasonable, non-discriminatory rules and regulations concerning the use of the Common Area as may be established by Landlord from time to time. Written notice of such rules and regulations and amendments and supplements thereto, if any, shall be given to Tenant fifteen (15) days prior to their effective date. Tenant agrees to promptly comply with all such rules and regulations upon receipt of written notice from Landlord. Landlord shall have no liability if any Landlord or tenant does not comply with such rules and regulations.

Tenant and Tenant's employees and agents shall not solicit business in the Common Areas, nor shall Tenant distribute any handbills or other advertising matter on automobiles parked in the Common Area.

Section 12.03. Control of and Changes to Common Area.

Landlord shall have the sole and exclusive control of the Common Area. Landlord's rights shall include, but not be limited to, the right to (a) restrain the use of the Common Area by unauthorized persons; (b) cause Tenant to remove or restrain persons from any unauthorized use of the Common Area if they are using the Common Area by reason of Tenant's presence in the Entire Premises; (c) utilize from time to time any portion of the Common Area for promotional, entertainment and related matters; (d) place permanent or temporary kiosks, displays, carts and stands in the Common Area and to lease same to tenants; (e) temporarily close any portion of the Common Area for repairs, improvements or alterations, to discourage non-customer use, to prevent dedication or an easement by prescription, or for any other reason deemed sufficient in Landlord's judgment; and (f) reasonably change the shape and size of the Common Area, add, eliminate or change the location of improvements to the Common Area, including, without limitation, buildings, lighting, parking areas, roadways and curb cuts, and construct buildings on the Common Area. Landlord may determine the nature, size and extent of the Common Area and whether portions of the same shall be surface, underground or multiple-deck; as well as make changes to the Common Area from time to time which in Landlord's opinion are deemed desirable for the Entire Premises. Landlord's right in this Section 12.03 may be shared in common with other Landlords of the Entire Premises.

Section 12.04. Common Area Expenses.

The term "Common Area Expenses" as used in this Lease means all costs and expenses incurred by Landlord, in operating, managing, policing, insuring, replacing, repairing and maintaining the Common Area and, if applicable, the security offices and management offices, located in the Entire Premises from time to time (the "Common Facilities"), and operating, insuring, repairing, replacing and maintaining the Common Utility Facilities. "Common Utility Facilities" are defined to include but are not limited to, sanitary sewer lines and systems, gas lines and systems, water lines and systems, fire protection lines and systems, electric power, telephone and communication lines and systems, and storm drainage and retention facilities not exclusively serving the premises of any tenant or store located in the Entire Premises. Common Area Expenses shall include, without limitation, the following: expenses for maintenance, landscaping, repaving, resurfacing, repairs, replacements, painting, lighting, cleaning, trash removal, security, fire protection and similar items; cost, installation and removal of seasonal decorations; non-refundable contributions toward one or more reserves for replacements other than equipment; rental on equipment; charges, surcharges and other levies related to the requirements of any Federal, State or local governmental agency; costs of any improvements made by Landlord to the Entire Premises for the purpose of reducing recurring expenses or utility costs and from which Tenant can expect a reasonable benefit or that are required by any governmental law, ordinance, regulation or mandate subsequent to the original

construction of the Entire Premises; expenses related to the Common Utility Facilities; real and personal property taxes and assessments on the improvements and land comprising the Common Area and Common Facilities; Landlord Carried Insurance (defined in Section 16.02) and any additional coverage obtained by Landlord on the Entire Premises; and a sum payable to Landlord for administration and overhead in an amount equal to ten percent (10%) of the Common Area Expenses for the applicable year.

Section 12.05. Proration of Common Area Expenses.

(a) From and after the commencement of the Term, Tenant shall pay to Landlord, on the first day of each calendar month, without demand or offset, an amount estimated by Landlord to be the monthly amount of Tenant's share of the Common Area Expenses which shall also include Tenant's pro rata share of Real Property Taxes described in Section 8.01 ("Monthly Impound"). The Monthly Impound may be adjusted periodically by Landlord based on Landlord's reasonable estimate of anticipated costs.

(b) Within one hundred twenty (120) days following the end of each calendar year of the Term, or, at Landlord's option, its fiscal year, Landlord shall furnish Tenant with a statement covering the calendar or fiscal year (as the case may be) just expired, showing the actual Common Area Expenses for that year, the amount of Tenant's share of Common Area Expenses for said calendar or fiscal year and the Monthly Impound payments made by Tenant during that year. If Tenant's share of the Common Area Expenses exceeds Tenant's prior Monthly Impound payments, Tenant shall pay Landlord the deficiency within ten (10) days after receipt of the annual statement. If Tenant's Monthly Impound payments for the calendar or fiscal year exceed Tenant's actual share of Common Area Expenses, and provided Tenant is not in arrears as to the payment of any Rent, Tenant may offset the excess against the next Monthly Impound due Landlord.

(c) Tenant's proportionate share of the Common Area Expenses shall be determined by multiplying the amount of such expenses by a fraction, the numerator of which is the number of square feet of leasable floor area in the Premises and the denominator of which is the number of square feet of leasable floor area in the Entire Premises.

Section 12.06. Parking

Tenant and its employees shall park their vehicles only in those portions of the Common Area from time to time designated for such purpose by Landlord. Landlord, at Tenant's expense, shall have the right to tow improperly parked vehicles of Tenant or Tenant's employees. Tenant shall reimburse Landlord upon demand for any such towing costs. Landlord shall have the right to adopt and implement such parking programs as may be necessary to alleviate parking problems during the peak traffic periods, including requiring the use of off-site parking. Tenant shall pay to Landlord its proportionate share of the cost of any such off-site parking program based on the ratio of the floor area of the Premises to the total floor area of the premises of all tenants in the Entire Premises required to participate in such program.

Tenant shall furnish Landlord with a list of its employees and the license numbers of their vehicles within fifteen (15) days after Tenant opens for business in the Premises. Tenant shall be responsible for ensuring that its employees comply with all the provisions of this Section 12.06 and such other parking rules and regulations as may be adopted and implemented by Landlord from time to time, including but not limited to systems of validation, shuttle transportation or any other programs which may be deemed necessary or appropriate by Landlord to control, regulate or assist parking by customers of the Entire Premises.

ARTICLE XIII

UTILITIES

Section 13.01. Utility Charges.

Tenant shall be solely responsible for and shall promptly pay all charges for heat, water, gas, electricity, fire sprinkler, fire alarm or any other utility used, consumed or provided in, or furnished, or attributable to the Premises at the rates charged by the supplying utility companies. Should Landlord elect to supply any or all of such utilities, Tenant agrees to purchase and pay for the same as additional rent as apportioned by the Landlord. The rate to be charged by Landlord to Tenant shall not exceed the rate charged Landlord by any supplying utility plus any expenses incurred by Landlord in connection with billing and supplying such utility service to Tenant. In no event shall Landlord be liable for any interruption or failure in the supply of any such utilities to the Premises. Tenant agrees to reimburse Landlord within ten (10) days of billing for fixture charges and/or water tariffs, if applicable, which are charged by local utility companies. Landlord will notify Tenant of this charge as soon as it becomes known. This charge will increase or decrease with current charges being charged Landlord by the local utility company, and will be due as additional rent. Tenant shall be responsible for sewer hook-up fees associated with Tenant's use of the Premises other than the fees for a standard retail shell.

ARTICLE XIV

ALTERATIONS AND SIGNS

Section 14.01. Installation.

Tenant shall not make or cause to be made any alterations, additions or improvements or install or cause to be installed any trade fixtures, exterior signs, floor covering, interior lighting, plumbing fixtures, shades or awnings or make any changes to the storefront of the Premises without Landlord's prior written consent. Concurrently with the request for approval, Tenant shall deliver to Landlord two (2) sets of complete plans and specifications for such work prepared by a licensed architect and if applicable, engineer. If required by Landlord, Tenant shall also provide security for the lien free completion of such work in the form of a payment and performance bond or other security satisfactory to Landlord.

Section 14.02. Removal by Tenant.

All alterations, decorations, additions and improvements made by the Tenant, or made by the Landlord on the Tenant's behalf by agreement under this Lease, shall remain the property of the Tenant for the Term, or any extension or renewal thereof. Any alterations, decorations, additions and improvements made by Tenant or previous tenant, if applicable, shall not be removed from the Premises without Landlord's prior written consent. During the Term, Tenant shall not remove any of its trade fixtures or other personal property, without the immediate replacement thereof with comparable fixtures or property. Upon expiration of this Lease, or any renewal term thereof, at Landlord's option, Tenant shall remove all such alterations, decorations, additions, and improvements, and restore the Premises as provided in Section 15.01 hereof. If the Tenant fails to remove such alterations, decorations, additions and improvements and restore the Premises, then upon the expiration of this Lease, and upon Tenant's vacation of the Premises, all such alterations, decorations, additions and improvements shall become the property of Landlord and Tenant shall reimburse Landlord for the cost of removal and/or storage of such alterations, decorations, additions and improvements.

Section 14.03. Liens.

Tenant shall keep the Premises free from any kinds of liens arising out of work performed or materials furnished Tenant and shall promptly pay all contractors and materialmen used by Tenant to improve the Premises, so as to minimize the possibility of a lien attaching thereto. If any such lien be made or filed, Tenant shall bond against or discharge the same within ten (10) days after written request by Landlord.

Tenant shall indemnify, defend, protect and hold Landlord, any ground lessor, the Premises and the Entire Premises and every part thereof free and harmless from and against any and all liability, damage, claims, demands, suits, actions or expense (including attorneys' fees) arising out of any work done on or about the Premises by Tenant or, at Tenant's direction, including Tenant's employees, representatives, successors, contractors, subcontractors, materialmen and assigns.

Section 14.04. Signs, Awnings and Canopies.

Tenant shall conform to the Century Stadium Promenade Tenant Sign Criteria as set forth in Exhibit B. In addition, Tenant shall not place or suffer to be placed or maintained any sign, awning, canopy, or advertising matter on the roof or on any exterior surface, door, wall or window or within 48 inches of any windows or doors of the Premises or the Building without Landlord's prior written consent. If Landlord consents, Tenant agrees to maintain such sign, awning, canopy, decoration, lettering or advertising matter in good condition and repair at all times.

Tenant agrees, at Tenant's sole cost any signs as required by Landlord in strict conformance with Landlord's sign criteria as to design, material, color, location, size and letter style and, if requested by Landlord, from the source designated by Landlord. Tenant's sign shall be installed prior to Tenant's opening for business and shall thereafter be maintained by Tenant at its own expense. If Tenant fails to maintain such sign, Landlord may do so and Tenant shall reimburse Landlord for such cost plus a twenty percent (20%) overhead fee. If, without Landlord's prior written consent, Tenant installs a sign that does not conform to the Sign Criteria, Landlord may have Tenant's sign removed and stored at Tenant's expense. The removal and storage costs shall bear interest until paid at the maximum rate allowed by law.

Landlord reserves the right to revise the Sign Criteria, at any time. Within ninety (90) days of Landlord's request and provided that Tenant has been in occupancy of the Premises for at least five (5) years, Tenant shall remove Tenant's existing sign, patch the fascia, and install a new sign, at Tenant's sole cost and expense, in accordance with Landlord's new sign criteria.

ARTICLE XV

SURRENDER OF PREMISES

Section 15.01. Surrender of Premises.

At the expiration of the tenancy hereby created, Tenant shall surrender the Premises in a first class, clean condition in accordance with the requirements of Section 14.02 herein, except for reasonable wear and tear and damage by unavoidable casualty to the extent covered by Landlord Carried Insurance. Tenant shall remove all of its trade fixtures, and any alterations or improvements if required as provided in Section 14.02 hereof, before surrendering the Premises to Landlord and shall repair any damage to the Premises or Building caused thereby. Tenant shall also remove its sign and patch the fascia. Tenant's covenants shall survive the expiration or other termination of this Lease.

If the Premises were occupied by other tenants prior to the commencement of the Term, then Tenant, upon Landlord's written request at the expiration of the Term, shall remove all or a portion of, as designated by Landlord, the interior improvements made by the prior tenants, and deliver the Premises in a condition acceptable to Landlord.

Following removal of all improvements as required by Section 15.01, Landlord shall conduct an inspection of the Premises to confirm Tenant's compliance with this Section. Tenant shall send written notice to Landlord five days prior to Landlord's inspection. Landlord's inspection shall occur no later than the last day of the Term. During the inspection, Tenant shall surrender all keys for the Premises to Landlord and shall inform Landlord of all combinations on locks, safes and vaults, if any, in the Premises.

Tenant shall also provide Landlord with a written statement, at Tenant's sole expense, from a reputable company licensed and experienced in HVAC repair and maintenance approved by Landlord that certifies that the

HVAC equipment serving the Premises was inspected and serviced, if necessary, within the last thirty (30) days of the Term and is in good working order. If Tenant fails to provide the statement, Landlord may order an inspection of the HVAC at Tenant's expense.

ARTICLE XVI INSURANCE AND INDEMNITY

Section 16.01. Tenant's Liability and Property Insurance.

During the Term, Tenant, at its expense, shall keep in full force and effect a policy of commercial general liability insurance insuring Landlord and Tenant from and against all claims, demands, actions or liability for injury to or death of any persons, and for damage to property arising from or related to the use or occupancy of the Premises or the operation of Tenant's business and the business operated by Tenant and subtenants and concessionaires of Tenant in the Premises. No deductible will be carried under this coverage without the prior written consent of Landlord. The policy shall include coverage for property damage, bodily injury, premises/operations, contractual liability (including Tenant's indemnity under this Lease), independent contractors, personal injury, product/completed operations, owned and nonowned automobiles, and, if applicable, liquor liability insurance. If required by Landlord, Tenant must carry building ordinance coverage. The insurance shall be written on an occurrence basis with coverage in a minimum amount of \$1,000,000.00 per occurrence for bodily injury/property damage and \$2,000,000.00 general aggregate limit. Tenant shall also maintain in full force and effect insurance covering all trade fixtures, merchandise, personal property, equipment and Tenant Improvements other than improvements paid by Landlord, in amounts no less than one hundred percent (100%) of the replacement value thereof, providing protection against any peril included within the classification of the "Fire and Extended Coverage", including sprinkler damage, vandalism and malicious mischief. Tenant shall also maintain Worker's Compensation Insurance with a limit no less than the amount required by law.

During any construction on the Premises, Tenant shall cause its contractor to obtain a policy of general liability insurance in the same form as required of Tenant, a policy of builder's risk insurance providing coverage for the expected value of Tenant's Work when completed and Worker's Compensation as required by law.

All policies shall name Landlord, property manager, Landlord's lender and any person, firms or corporations designated by Landlord as additional insureds. No additional insured shall be liable for any payment for premiums. All additional insureds shall be entitled to recovery for any loss occasioned to them, their servants, agents or employees by reason of negligence of Tenant, its officers, agents or employees. All policies shall contain a clause that the insurer will not cancel or change such coverage without first giving Landlord thirty (30) days prior written notice. All insurance shall be issued by an insurance company qualified to do business in the State in which the Entire Premises is located and having an overall rating of Class A- or better and a financial rating of Class V as rated in the most current available Best's Key Rating Guide. Copies of all policies or certificates of insurance required hereunder shall be delivered to Landlord as a condition to Tenant's entry onto the Premises. All policies shall be written as primary policies, not contributing with and not in excess of coverage which Landlord may carry. Landlord may increase the limits of liability required hereunder in the exercise of Landlord's reasonable judgment.

If this Lease is canceled by reason of damage or destruction and Tenant is relieved of its obligation to rebuild, any insurance proceeds for damages to the Premises, including all leasehold improvements, but excluding all fixtures, will belong to Landlord, free and clear of any claims by Tenant.

Section 16.02 Landlord's Acquisition of Insurance.

If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord.

Section 16.03. Landlord Carried Insurance.

Landlord shall, subject to reimbursement as provided herein, maintain public liability, fire with extended coverage insurance with a vandalism and malicious mischief endorsement, rental loss insurance, earthquake (if not otherwise economically impracticable) or any other insurance coverage deemed necessary by Landlord or Landlord's lender (collectively, "Landlord Carried Insurance") through the Term, in amounts from time to time deemed reasonably necessary by Landlord or Landlord's lender on the Common Area. The Landlord Carried Insurance may be obtained through a blanket policy or other form of pooled insurance coverage covering not only the Entire Premises, but other property owned by Landlord or its affiliates. The fire and extended coverage insurance shall be in an amount equal to at least ninety percent (90%) of the replacement value of the Building and Improvements paid for by Landlord as set forth in Section 5.01(c). During the Term, Tenant hereby agrees to reimburse Landlord as part of the Common Area Expenses for Tenant's pro rata share of any Landlord Carried Insurance attributable to the Common Area and to reimburse Landlord for Landlord Carried Insurance attributable to the Tenant's Building and Improvements. In determining Tenant's share of the premiums for Landlord Carried Insurance, the schedule issued by the organization making the insurance rate on the improvements, areas and/or risks covered, showing the various components of such rates, shall be conclusive evidence of the charges which make up the insurance rate and the share to be charged to the Premises. If such a schedule cannot be obtained, then Tenant's share shall be a proportion of the premiums for such Landlord Carried Insurance based on the ratio of the square footage of the floor area of the Premises to the total square footage of the floor area of all building space covered by such Landlord Carried Insurance.

Section 16.04. Indemnification of Landlord.

Tenant shall indemnify, defend, protect and save Landlord harmless from and against any and all claims, demands, actions, damages, liability and expense (including reasonable attorneys' fees and costs of investigation) in connection with any damage to person and/or property arising directly or indirectly from or connected with the conduct or management of the business conducted by Tenant on the Premises, or the occupancy or use by Tenant of the Premises or any part of the Entire Premises, or from any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to this Lease, or from violations of or noncompliance with any governmental requirements or insurance requirements, or from any acts or omissions of Tenant or any person on the Premises by license or invitations of Tenant or occupying the Premises or any part thereof under Tenant whether such damage occurs in, on or about the Premises, the Common Area or the Entire Premises. In case Landlord shall be made a party to any litigation commenced by or against Tenant, Tenant shall accept any tender of defense by Landlord and shall, notwithstanding any allegations of negligence or misconduct on the part of Landlord, its agents or employees, defend, protect and hold Landlord harmless and pay all costs, expenses and reasonable attorneys' fees incurred or paid by Landlord in connection with such litigation; provided, however, Tenant shall not be liable for any such damage to the extent and in the proportion such damage is ultimately determined to be attributable to the gross negligence or willful misconduct of Landlord, its agents or employees, unless covered by insurance required to be carried by Tenant. Landlord may, at its option, require Tenant to assume Landlord's defense in any action covered by this Section 16.03 through counsel satisfactory to Landlord.

Landlord shall, during the Term hereof, indemnify Tenant and save it harmless from and against any and all claims, demands, actions, damages, liability and expense arising solely out of the gross negligence or willful misconduct of the Landlord; providing, however, in no event shall Landlord be liable to Tenant for any consequential damages, including, without limitation, any claimed loss of profit or business.

Section 16.05. Boiler, HVAC and Evaporative Cooler Insurance.

If required by Landlord, Tenant, at its sole expense, shall procure and maintain in full force and effect for the Term, boiler and machinery insurance on all air-conditioning equipment, evaporative coolers, boilers, and other pressure vessels and systems, whether fired or unfired, located in the Premises. If said objects and the damage that may be caused by them or result from them are not covered by Tenant's extended coverage insurance required pursuant to Section 16.01, then such boiler insurance shall be in an amount satisfactory to Landlord and equal to one hundred percent (100%) of the replacement value of such equipment.

Section 16.06. Waiver of Subrogation.

Landlord and Tenant hereby mutually waive their respective rights of recovery, against each other for any loss to the Premises or its contents resulting from actions on or with respect to the Premises insured by fire, extended coverage or any other insurance existing for the benefit of the respective parties and each party agrees to apply to their insurers to obtain similar waivers from such insurers. Each party shall obtain any special endorsements required by such party's insurer to evidence compliance with the aforementioned waiver.

Section 16.07. Waiver or Loss and Damage.

Landlord shall not be liable for any damage to property of Tenant, or of others, located in, on or about the Premises, nor for the loss of or damage to any property of Tenant or of others by theft or otherwise. Landlord shall not be liable to Tenant, Tenant's employees or representatives for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or leaks from any part of the Premises or from the pipes, appliances or plumbing works or from the roof, street or sub-surface or from any other places or by dampness or by any other cause of whatsoever nature. Landlord shall not be liable to Tenant, Tenant's employees or representatives for any such damage caused by other tenants or persons in the Premises, occupants of adjacent property of the Entire Premises, or the public, or caused by operations in construction of any private, public or quasi-public work. Landlord shall not be liable for any latent defects in the Premises or in the Building except for a period of one (1) year from the date of original completion of the Building by Landlord's contractor. All property of Tenant kept or stored on the Premises shall be so kept or stored at the sole risk of Tenant and Tenant shall hold Landlord harmless from any claims arising out of damage to the same, including subrogation claims by Tenant's insurance carriers, unless such damage shall be caused by the willful act or gross negligence of Landlord. Landlord shall not be liable in any circumstances for any consequential damages of any kind or nature whatsoever, including, without limitation, any claimed loss of profit or business.

Section 16.08. Notice by Tenant.

Tenant shall give immediate notice to Landlord in case of fire or accidents in the Premises or in the Building or of any damage or defects in the Premises, the Building or any fixtures or equipment therein.

ARTICLE XVII

**ESTOPPEL CERTIFICATE, ATTORNMEN, SUBORDINATION,
MORTGAGEE PROTECTION CLAUSE**

Section 17.01. Estoppel Certificate.

Within five (5) days after Landlord's written request, Tenant agrees to deliver in recordable form a certificate to any proposed mortgagee, ground lessor or purchaser, or to Landlord, certifying that this Lease is in full force and effect, that there does not exist nor has there existed any toxic materials or hazardous waste in, on or about the Premises, that no more than one (1) month's rent has been paid in advance, the essential terms of the Lease, that there are no defenses or offsets thereto, or stating those claimed by Tenant, and any other information that may be requested.

Section 17.02. Attornment.

Tenant shall, in the event any proceedings are brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage made by the Landlord covering the Premises, or in the event of a termination of any ground lease covering the Building or Premises, attorn to the purchaser or ground lessor upon any such foreclosure or sale or termination of ground lease and recognize such purchaser or ground lessor as the Landlord under this Lease, provided that any purchaser or mortgage or ground lessor shall recognize this Lease as remaining in full force and effect so long as Tenant is not in default hereunder.

Section 17.03. Subordination.

Upon the written request of Landlord, and provided such mortgagee or ground lessor confirms in writing the nondisturbance provisions of Section 17.02 above, Tenant will immediately subordinate its rights hereunder to the lien of any mortgage or mortgages or the lien resulting from any other method of financing or refinancing, or any ground lease now or hereafter in force covering the land and the Building or upon any buildings hereafter placed upon the land of which the Premises are a part, and to all advances made or hereunder to be made upon the security thereof. This Section 17.03 shall be self-operative and no further instrument or subordination shall be required unless requested by Landlord's mortgagee or ground lessor. Tenant covenants and agrees that it will execute subordination agreements at any time upon Landlord's written request without compensation being made therefor. However, if Landlord so elects, this Lease shall be deemed prior in lien to any mortgage, deed of trust or other encumbrances or ground lease upon or including the Premises, regardless of recording and Tenant will execute a statement in writing to such effect at Landlord's request.

Section 17.04. Mortgage Protection Clause.

Tenant agrees to give any mortgagees, trust deed holders and/or ground lessor, by registered mail, a copy of any notice of default served upon the Landlord, provided that prior to such notice Tenant has been notified in writing (by way of notice of assignment of lease, or otherwise) of the addresses of such mortgagees, trust deed holders and/or ground lessor. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the mortgagees and/or trust deed holders shall have an additional thirty (30) days within which to cure such default, or if such default cannot be cured within that time, then such additional time as may be necessary, provided such mortgagees, trust deed holders and/or ground lessor commence such cure within thirty (30) days and diligently pursue the remedies necessary to cure such default (including but not limited to commencement of foreclosure proceedings to effect such cure), in which event this Lease shall not be terminated while such remedies are being so diligently pursued.

Section 17.05. Landlord Waiver Form.

Upon request by Tenant, Landlord shall execute an Landlord's waiver and consent to financing for Tenant's fixturation on the Premises in a form to be supplied by Landlord. Tenant shall pay Landlord \$150.00 (increased by the Index) for each form signed by Landlord.

ARTICLE XVIII

ASSIGNMENT AND SUBLETTING

Section 18.01. Consent Required.

Except as provided in Sections 18.02, 18.03 and 18.04 herein, Tenant shall not assign this Lease in whole or in part, nor sublet all or any part of the Premises, without the prior written consent of Landlord, which consent shall not be unreasonably withheld. It is agreed that Landlord will not be acting unreasonably in refusing to consent to an assignment or sublease if, in Landlord's reasonable business judgment, the quality of the merchandising operation of the proposed assignee or subtenant is not equal to that of the Tenant, the use of the Premises will change, such assignee or subtenant may adversely affect the business of other tenants or the tenant mix in the Entire Premises or Landlord's ability to obtain percentage rent, the net worth of such assignee or subtenant is less than that of Tenant at time of execution of this Lease, or the proposed assignee or subtenant lacks sufficient working capital to operate the business. The consent by Landlord to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. If this Lease is assigned by Tenant, or if the Premises or any part thereof are sublet or occupied by any person or entity other than Tenant, Landlord may collect Rent from the assignee, subtenant or occupant, and apply the net amount collected to the Rent herein reserved, not no such assignment, subletting, occupancy or collection shall be deemed a waiver on the part of Landlord, or the acceptance of the assignee, subtenant or occupant as tenant, or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained. Irrespective of any assignment or sublease, Tenant shall remain fully liable under this Lease and shall not be released from performing any of the terms, covenants and conditions of this Lease. If Tenant assigns this Lease or sublets the Premises, any rent paid to Tenant in addition to the Rent payable to Landlord as set forth in this Lease shall be paid by Tenant to Landlord as additional rent.

If Tenant is a corporation, an unincorporated association or a partnership, the transfer, assignment or hypothecation of any stock or interest in such corporation, association or partnership in the aggregate in excess of forty-nine percent (49%) shall be deemed an assignment within the meaning and provisions of this Section 18.01.

Tenant shall pay Landlord a non-refundable processing fee of \$50.00 (increased each year by the Index) for each requested assignment or sublease to cover Landlord's costs. This fee shall accompany any request for assignment or sublease. In addition, Tenant shall pay all costs incurred by Landlord in connection with reviewing a request to consent to an assignment or sublease, including all of Landlord's attorneys' and accountants' fees.

Section 18.02. Permitted Assignment or Subletting by Franchisor.

If Tenant is a franchisor, Tenant may assign its interest herein or sublet all or part of the Premises once to a bona fide franchisee or licensee of Tenant without the payment of the fee described in Section 18.01 (but subject to all other conditions contained therein), provided there shall be no change in the use of the Premises, provided Tenant notifies Landlord in writing thirty (30) days prior to such subletting or assignment and provided further such assignee or subtenant meets all of Tenant's then nationwide franchise requirements including payment of the applicable standard franchise fee. Any subsequent subletting or assignment shall be subject to all the conditions of Section 18.01, including the payment of the fee.

Section 18.03. Concessionaires.

Tenant may grant concessions for the operation of one or more departments of the business which Tenant operates on the Premises as required by Section 10.01; provided however that (a) each such concession may be allowed only upon receipt by Tenant of the prior written consent of the Landlord, which consent shall not be unreasonably withheld, and shall be subject to all the terms and provisions of this Lease; (b) the Gross Receipts, as defined in Section 4.04 hereof, from the operation of each such concession shall be deemed to be a part of the Gross Receipts of Tenant for the purpose of determining the Percentage Rent payable to Landlord; (c) all of the provisions hereof applying to the business of Tenant including the provisions concerning reports and audits shall apply to each such concession; and (d) at least seventy-five percent (75%) of the sales floor area of the Premises shall at all times be devoted solely to the business operated by Tenant.

Section 18.04. Involuntary Assignment.

No interest of Tenant in this Lease shall be assignable by operation of law (including, without limitation, the transfer of this Lease by testacy or intestacy). Each of the following acts shall be considered an involuntary assignment: (a) if Tenant is or becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or institutes a proceeding under the Bankruptcy Act in which Tenant is bankrupt; or, if Tenant is a partnership or consists of more than one person or entity, if any partner of the partnership or other person or entity is or becomes bankrupt or insolvent, or makes an assignment for the benefit of creditors; (b) if a writ of attachment or execution is levied on this Lease; or (c) if, in any proceeding or action to which Tenant is a party, a receiver is appointed with authority to take possession of the Premises. An involuntary assignment shall constitute a default by Tenant, and Landlord shall have the right to elect to terminate this Lease, in which case this Lease shall not be treated as an asset of Tenant.

ARTICLE XIX

ADVERTISING AND PROMOTION FUND

Section 19.01. Advertising and Promotion Fund.

Landlord may, from time to time, establish an advertising and promotion service designed to furnish and maintain professional advertising and sales promotions for the benefit of all tenants in the Entire Premises. In conjunction therewith, Landlord may establish a separate fund to be known as the Promotion Fund, the proceeds of which are to be expended solely for advertising, promotion, public relations designed to promote the Entire Premises and administrative expenses, at such times and in such manner as shall be determined by Landlord.

Tenant shall not be obligated to make payments into the Promotion Fund; however, Tenant agrees that it will conduct an annual advertising and promotional campaign of not less than \$200,000 per year.

Should Landlord elect to have a "Grand Opening" promotion, in addition to the above, Tenant agrees to pay to Landlord, within thirty (30) days of Landlord's billing, as its pre-opening contribution, the sum set forth in Section 1.12 herein which is Tenant's share, of Landlord's budget for funds to be expended for promotion and advertising of the Entire Premises.

Any balance remaining in the Promotion Fund at the end of any calendar year shall be carried forward to the next calendar year to be used as provided herein.

An Advertising and Promotion Service Committee composed of a representative of Landlord, a representative of each store exceeding a size of 25,000 square feet of floor area in the Entire Premises, and two (2) representatives of the other tenants in the Entire Premises may be formed to review all of the advertising activities.

Section 19.02. Advertising of Tenant.

With the exception of national or regional advertising, Tenant, at its sole expense, agrees to refer to the Entire Premises by the name provided in Section 1.02.1, if one is so provided, in designating the location of the Premises in all local newspapers or other advertising, stationery, other printed material and in all other references to location, and to include the address and identity of its business activity in the Premises in all advertisements made by Tenant for its operation at the Entire Premises.

ARTICLE XX
DESTRUCTION OF PREMISES

Section 20.01. Total or Partial Destruction.

If the Premises shall be damaged by fire, the elements or other casualty or cause whether or not insured against under the provisions of Section 16.01 and 16.03, Tenant at its own expense, shall cause such damage to be repaired and the Premises reconstructed and restored as soon as reasonably practical, and any Rent or other charges payable hereunder shall not be abated. Landlord shall make any insurance proceeds available to Tenant on a reasonable basis for that purpose. Tenant shall be responsible for the concurrent prompt repair and restoration of its furniture, fixtures and equipment in the Premises damaged by such event. In the event that fifty percent (50%) or more of the Premises are damaged or destroyed by fire, the elements or other cause or casualty, Landlord shall have the right, to be exercised by written notice delivered to Tenant within sixty (60) days from and after said occurrence, to elect not to require the Tenant to reconstruct and repair the Premises, and in such event this Lease and the tenancy hereby created shall cease as of the date of said damage. If Landlord elects to terminate this Lease in accordance with this Section 20.01, all insurance proceeds, except for insurance proceeds for Tenant's fixtures, shall become the property of Landlord.

Section 20.02. Waiver of Termination.

Tenant hereby waives any statutory rights which it may have to terminate the Lease in the event of the partial or total destruction of the Premises, if being agreed that the provisions of this Article XX shall control.

ARTICLE XXI
EMINENT DOMAIN

Section 21.01. Total Condemnation.

If the whole of the Premises shall be acquired for any public or quasi-public use or purpose or taken by eminent domain, then the Term shall cease and terminate as of the date possession or title is given to such condemning authority in such proceeding and all rentals shall be paid up to that date.

Section 21.02. Total Parking Area.

If the entire portion of the Common Area used for parking in the Entire Premises ("Parking Area") shall be acquired for any public or quasi-public use or purpose or taken by eminent domain, then the Term shall cease and terminate as of the date possession or title is given to such condemning authority in such proceeding unless Landlord shall provide other parking facilities substantially equal to the previously existing ratio between the Parking Area and the Premises within ninety (90) days from the date of such taking. In the event that Landlord shall provide such other parking facilities, then this Lease shall continue in full force and effect without abatement of Rent or other charges.

Section 21.03. Partial Condemnation.

If any part of the Premises shall be acquired or taken by eminent domain for any public or quasi-public use or purpose, and in the event that such partial taking or condemnation shall render the Premises, in Landlord's discretion, unsuitable for the operation of Tenant's business, then the Lease shall cease and terminate as of the date possession or title is given to such condemning authority in such proceeding. In the event of a partial taking or condemnation which is not extensive enough to render the Premises unsuitable for the operation of Tenant's business, then Landlord shall promptly restore the Premises to the extent of the condemnation proceeds to a condition comparable to its condition at the time of such condemnation less the portion lost in the taking, and this Lease shall continue in full force and effect and the Minimum Rent shall be equitably reduced based on the percentage of floor area of the Premises lost in the taking.

Section 21.04. Partial Condemnation of Parking Area.

If any part of the Parking Area shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose and if, as the result of such partial taking the ratio of square feet of Parking Area to square feet of the sales floor area of the Entire Premises is reduced to a ratio below that permitted by law, then the Lease shall cease and terminate from the date possession or title is given to such condemning authority in such proceeding, unless Landlord shall provide reasonable evidence of its ability to increase the parking ratio to a permitted ratio or Landlord can provide substitute parking either in or outside the Entire Premises, in which event this Lease shall be unaffected and remain in full force and effect as between the parties.

Section 21.05. Allocation of Award.

Except as provided below, in the event of any condemnation or taking as herein provided, whether whole or partial, Tenant shall not be entitled to any part of the award, as damages or otherwise, for such condemnation and Landlord is to receive the full amount of such award; Tenant expressly waives any right or claim to any part thereof, including the right or claim for the value of the unexpired portion of the Term or diminution in value of Tenant's leasehold interest, or for the value of any option to extend the Term or renew this Lease. Tenant shall, however, have the right, provided such award shall not diminish Landlord's award, to claim and recover from the condemning authority, but not from Landlord, such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right on account of any and all damages to Tenant's business for Goodwill and loss of income by reason of the condemnation and for or on account of any cost or less to which Tenant might incur in removing Tenant's merchandise, future, fixtures and equipment from the Premises.

ARTICLE XXII

DEFAULT

Section 22.01. Tenant's Default.

The occurrence of any of the following shall constitute a default by Tenant: (a) failure to pay rent when due, if the failure continues for three (3) days after notice has been given to Tenant; (b) abandonment and/or vacation of the Premises; (c) failure to operate in the Premises for ten (10) consecutive days; (d) failure to perform any nonmonetary provision of this Lease if the failure to perform is not cured within thirty (30) days after notice has been given to Tenant; provided that if the nonmonetary default cannot reasonably be cured within thirty (30) days, Tenant shall not be default of this Lease if Tenant commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default; and (e) failure to timely deliver an estoppel certificate as required by Section 17.01.

Notices given under this Section 22.01 shall not be deemed a forfeiture or a termination of this Lease unless Landlord so elects in the notice. Notices given under this Section 22.01 shall be in lieu of and not in addition to any statutory notice required by law.

Section 22.02. Landlord's Remedies.

Landlord shall have the following remedies if Tenant commits a default. These remedies are not exclusive; they are cumulative in addition to any remedies now or later allowed by law.

Landlord can continue this Lease in full force and effect after Tenant's default and abandonment, and the Lease will continue in effect as long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all Landlord's rights and remedies under the Lease, including the right to collect Rent when due. During the period Tenant is in default, Landlord can enter the Premises and relet them, or any part of them, to third parties for Tenant's account. Tenant shall be liable immediately to Landlord for all costs Landlord incurs in reletting the Premises, including, without limitation, brokers' commissions, expenses of remodeling the Premises required by the reletting, and like costs. Reletting can be for a period shorter or longer than the remaining Term of this Lease. Tenant shall pay to Landlord the Rent due under this Lease on the dates the Rent is due, less the rent Landlord receives from any reletting. No act allowed by this Section 22.02 shall terminate this Lease unless Landlord notifies Tenant that Landlord elects to terminate this Lease.

If Landlord elects to relet the Premises as provided in this Section 22.02, Rent that Landlord receives from reletting shall be applied to the payment of: first, any indebtedness from Tenant to Landlord other than Rent due from Tenant; second, all costs, including maintenance, incurred by Landlord in reletting; and third, Rent due and unpaid under this Lease. After deducting the payments referred to in this Section, any sum remaining from the Rent Landlord receives from reletting shall be held by Landlord and applied in payment of future Rent as Rent becomes due under this Lease. In no event shall Tenant be entitled to any excess Rent received by Landlord. If, on the date Rent is due under this Lease, the Rent received from the reletting is less than the Rent due on that date, Tenant shall pay to Landlord, in addition to the remaining Rent due, all costs, including maintenance, Landlord incurred in reletting that remain after applying the Rent received from the reletting as provided in this Section 22.02.

Landlord can terminate Tenant's right to possession of the Premises at any time. No act by Landlord other than giving notice to Tenant shall terminate this Lease. Acts of maintenance, efforts to relet the Premises or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to recover from Tenant: (a) the worth, at the time of the award, of the unpaid rent that had been earned at the time of termination of this Lease; (b) the worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and (d) any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's default. "The worth, at the time of the award", as used in (a) and (b) of this Section 22.02, is to be computed by allowing interest at the maximum rate an individual is permitted by law to charge. "The worth, at the time of the award," as referred to in (c) of this Section 22.02, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

Section 22.03. Appointment of Receiver.

If Tenant is in default of this Lease, Landlord shall have the right to have a receiver appointed to collect Rent and conduct Tenant's business. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this lease.

Section 22.04. Landlord's Right to Cure Tenant's Default.

Landlord, at any time after Tenant commits a default, can cure the default at Tenant's cost. If Landlord at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be due immediately from Tenant to Landlord at the time the sum is paid, and if paid at a later date shall bear interest at the maximum rate an individual is permitted by law to charge from the date the sum is paid by Landlord until Landlord is reimbursed by Tenant. The sum, together with interest on it, shall be additional rent.

Section 22.05. Waiver of Rights of Redemption.

Tenant expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession

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of the Premises, by reason of the violation by Tenant of any of the covenants or conditions of this Lease, or otherwise.

Section 22.06. Default by Landlord.

If Landlord fails to perform any of the covenants or conditions required on its part to be performed pursuant to this Lease, where such failure continues for a period of thirty (30) days after receipt of written notice specifying the nature and extent of such default in detail (provided, however, that if such default is of a nature that it cannot reasonably be cured within thirty (30) day period). Landlord shall be liable to Tenant for all damages sustained as a direct result of such breach, subject to the additional rights of any mortgagees of Landlord as provided in Section 17.04 herein. Landlord's liability shall be limited to Landlord's interest in the Entire Premises. Neither Landlord nor any of its partners shall be personally liable.

ARTICLE XXIII

SUCCESSORS; SALE OF PREMISES

Section 23.01. Successors and Assigns.

Except as provided in Section 18.05, all rights and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors, and assigns of said parties; and if there shall be more than one tenant, they shall all be bound jointly and severally by the terms, covenants and agreements herein. No rights, however, shall inure to the benefit of any assignee of Tenant unless the assignment to such assignee has been approved by Landlord in writing as provided in Section 18.01 hereof.

Section 23.02. Sale of Premises.

In the event Landlord shall sell, convey, transfer or exchange the Premises, the Entire Premises or the Building, Tenant agrees to recognize and attorn to the purchaser or transferee, as the Landlord hereunder and Landlord shall be and is hereby relieved and released from any liability under any and all of its covenants and obligations under the Lease arising out of any act, occurrence or event arising after such sale, conveyance, transfer or exchange.

ARTICLE XXIV

QUIET ENJOYMENT

Section 24.01. Landlord's Covenant.

Upon timely payment by Tenant of the Rent, and upon the observance and performance of all of the covenants, terms and conditions on Tenant's part to be observed and performed hereunder, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term without unreasonable hindrance or interruption by Landlord or any other person or persons lawfully or equitably claiming by, through or under the Landlord, subject, nevertheless, to the terms and conditions of this Lease. Landlord may subject its interest in the Premises to a Lien or Mortgage provided, the lienholder furnishes Tenant with a Subordination, Attornment and Non-Disturbance Agreement.

ARTICLE XXV

MISCELLANEOUS

Section 25.01. Index.

Whenever in this Lease there is a reference to the Index, such reference shall refer to the following:

(a) The "Index" as used in this Lease shall be deemed to mean The United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, U.S. City Average, Subgroup "All items", (1982-84 = 100) (the "Index"). If at any time there shall not exist the Index in the format recited herein, Landlord shall substitute any official index published by the Bureau of Labor Statistics or successor or similar substitute any office index published by the Bureau of Labor Statistics, or successor or similar governmental agency, as may then be in existence and shall, in Landlord's opinion, be most nearly equivalent thereto.

(b) The sum to be increased in accordance with the provisions of the Index shall be increased using the following formula: Such sum shall be increased by a percentage equal to the percentage increase, if any, in the Index published for the Comparison Month over the Index published for the Base Month; provided, however, in no event shall said sum be less than that which was due immediately preceding the date of adjustment. If no Comparison Month or Base Month shall be specified, the Comparison Month shall be three (3) months prior to the anniversary of the Rent Commencement Date for the year of the increase, and the Base Month shall be three (3) months prior to the Rent Commencement Date.

Section 25.12. Waiver.

No payment by Tenant or receipt by Landlord of a lesser amount than the Rent herein stipulated shall not be deemed to be a waiver of any other default, term, covenant or condition concerning the same. No delay or omission in the exercise of any right or remedy of Landlord shall impair such a right or remedy or be construed as a waiver. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any

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preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent.

Section 25.03. Accord and Satisfaction.

No payment by Tenant or receipt by Landlord of a lesser amount than the Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy in this Lease.

Section 25.04. Entire Agreement.

This Lease and the Exhibits attached hereto and forming a part hereof, set forth all the representations, covenants, promises, agreements, conditions and understandings between Landlord and Tenant concerning the Premises and there are no representations, covenants, promises, agreements, conditions or understandings, either oral or written, between them other than are herein set forth. Any subsequent alteration, amendment, change or addition to this Lease must be in writing, signed by Landlord and Tenant.

Section 25.05. No Partnership.

Landlord does not, in any way or for any purpose, become a partner of Tenant in the conduct of its business, or otherwise, or joint venture or a member of a joint enterprise with Tenant by reason of this Lease. The provisions of this Lease relating to the Percentage Rent payable hereunder are included solely for the purposes of providing a method whereby Rent is to be measured and ascertained.

Section 25.06. Force Majeure.

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, governmental moratorium, riots, insurrection, war or other reason of a like nature not the fault of the party delaying in performing work or doing acts required under the terms of this Lease (but excluding delays due to financial inability), then performance of such act shall be excused for the period of such delay. The provisions of this Section 25.06 shall not operate or excuse Tenant from the prompt payment of Minimum Rent, Percentage Rent, additional rent or any other payments required by the terms of this Lease.

Section 25.07. Holding Over.

Any holding over after the expiration of the Term, with or without the consent of the Landlord, shall be construed to be a tenancy from month to month at a rent specified by Landlord in its sole discretion, which rent shall never be less than the then prevailing market rate for the Entire Premises (as determined solely by Landlord) and shall otherwise be on the terms and conditions herein specified, as far as applicable.

Section 25.08. Notices.

All notices hereunder must be served personally or by certified or registered mail, postage prepaid, addressed to Tenant and to Landlord at the address given below or at such other address as Landlord or Tenant may designate by written notice pursuant to this Section 25.08. Any notice given by mail shall be deemed given forty-eight (48) hours after deposit in the mail.

Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn.: Real Estate Department

Tenant: Century Theatres, Inc.
150 Golden Gate Ave.
San Francisco, CA 94102
Attn.: Legal Department

Section 25.09. Captions and Section Numbers.

The captions, section numbers, article numbers, and index appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Lease nor in any way affect this Lease.

Section 25.10. Tenant Defined, Use of Pronoun.

The word "Tenant" means each and every person or party mentioned as a Tenant herein, be the same one or more; and if there shall be more than one Tenant, any notice required or permitted by the terms of this Lease may be given by or to any one thereof, and shall have the same force and effect as if given by or to all thereof. The persons signing as Tenant shall be jointly and severally liable. The use of the neuter singular pronoun to refer to Landlord or Tenant shall be deemed a proper reference even though Landlord or Tenant may be an individual, a partnership, a corporation, or a group of two or more individuals or corporations. The necessary grammatical changes required to make the provisions of this Lease apply in the plural sense where there is more than one

Landlord or Tenant and to either corporations, associations, partnerships, or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

Section 25.11. Partial Invalidity.

If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and enforced to the fullest extent permitted by law.

Section 25.12. No Option.

The submission of this Lease for examination does not constitute a reservation of or option for the Premises and this Lease becomes effective as a Lease only upon execution and delivery thereof by Landlord to Tenant.

Section 25.13. Recording.

Tenant shall not record this Lease or a memorandum thereof.

Section 25.14. Legal Expenses.

In the event that any time during the Term either Landlord or Tenant shall institute any action or proceeding against the other relating to the provisions of this Lease, or any default hereunder, or engage an attorney to enforce such provision then, and in that event, the unsuccessful party in such action or proceeding agrees to reimburse the successful party for the actual expenses of attorneys' fees and disbursements incurred therein by the successful party.

The successful party in such suit shall be entitled to its costs of suit and actual attorneys' fees whether or not such action is prosecuted to judgment. "Successful party" within the meaning of this Section 25.14 shall include, without limitation, a party who brings an action against the other or who defends against an action brought by the other and whose position is substantially upheld.

Section 25.15. Rights Cumulative.

The rights and remedies of Landlord specified in this Lease shall be cumulative and in addition to any other rights and remedies provided by law.

Section 25.16. Authority.

If Tenant is a corporation or partnership, each individual executing this Lease on behalf of such entity represents or warrants that he or she is duly authorized to execute and deliver this Lease on behalf of such entity and that such entity shall be bound by all the terms and provisions hereof.

Section 25.17. Mortgage Changes.

Tenant shall not unreasonably withhold its consent to changes or amendments to this Lease requested by the holder of any mortgage or deed of trust covering Landlord's interest in the Premises so long as such changes do not materially alter the economic terms of this Lease or otherwise materially diminish the rights or materially increase the obligations of Tenant hereunder.

Section 25.18. Time of the Essence.

Time is of the essence in each and every, provision of this Lease except for delivery of possession of the Premises as set forth herein.

Executed as of the date first written above.

LANDLORD: SYUFY ENTERPRISES, A
CALIFORNIA LIMITED PARTNERSHIP:
/s/ Raymond Syufy

TENANT: CENTURY THEATRES, INC.
DELAWARE CORPORATION
/s/ Joseph Syufy

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LEASE

THIS INDENTURE OF LEASE, dated and effective as of July 1, 1996, by and between **SYNM PROPERTIES, INC.**, a New Mexico Corporation with an office at 150 Golden Gate Ave., San Francisco, CA, hereinafter called "Landlord", and **CENTURY THEATRES, INC.**, a Delaware corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in a parcel of land described on Exhibit A attached hereto.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

**ARTICLE I
EXHIBITS — DEFINITIONS**

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the tract of land hereinafter referred to as "Entire Premises".

EXHIBIT B — a site plan of the Entire Premises showing the location of the Tenant's Building, outlined in red.

EXHIBIT C — Form of Memorandum of Lease

1.02 Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" and "Rent Commencement Date" shall mean the date which is the earlier of (i) nine months after Tenant has secured a building permit for construction of Tenant's building or (ii) the date on which Tenant opens for business in the Premises.

The term "Common Facilities" or "Common Areas" shall include the parking areas, streets, driveways, curb cuts, access facilities, aisles, sidewalks, malls, landscaped areas, and other common and service areas within the Entire Premises with the improvements thereon, whether or not shown on Exhibit B.

The term "Default Rate" shall mean the Ten percent (10%).

The term "Entire Premises" shall mean the tract of land described on Exhibit B.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" or "Premises" shall mean Tenant's Building outlined in red on Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five (5) years each and one (1) successive period of four (4) years.

The term "Percentage Rate" shall mean three and half percent (3.5%).

The term "Planned Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "Tenant's Building" shall mean the building to be erected by Tenant at Tenant's sole cost..

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

- A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein.
- B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".
- C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date.
- D) During the Lease Term, Landlord grants to Tenant and its employees, agents, customers and other invitees a non-exclusive easement for free parking and ingress and egress on and over the Entire Premises for Tenant, Tenant's employees, agents, contractors, customers and invitees. Tenant shall be responsible for all costs associated with the Entire Premises exclusive of any Landlord's Buildings that may be constructed thereon. The location of said easements may be changed at the sole discretion of the Landlord so long as such change does not interfere with Tenant's Permitted Use.

2.02 Term of Lease.

Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter and shall terminate on the last day of the calendar month during which the date which is twenty (20) years after the Commencement Date occurs. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each and one (1) additional period of four (4) years (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default (meaning the breach of any obligation hereunder and failure to cure that breach within the time permitted in Section 14.01) at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession: Transfer of Title.

(A) Landlord represents and warrants to Tenant that Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple.

(B) Maintenance of Entire Premises At all times during the Term, Tenant shall keep and maintain the Exterior Common Facilities in the Entire Premises and Tenant's Building in good order and repair and in a clean and safe condition, reasonably free of debris. The lighting for the Exterior Common Facilities shall be turned on by Tenant on each day that business is conducted on the Premises at or about the

same time that the municipality turns on street lights, and same shall be kept lighted for one (1) hour after all Tenants close for business. Tenant's obligation hereunder shall include maintaining the parking areas of the Entire Premises free of potholes and assuring that they are properly coated and sealed and striped as needed. Tenant shall make any and all additions to and all alterations and repairs in, on and about the Exterior Common Facilities, which may be required by, and shall otherwise observe and comply with, all public laws, ordinances and regulations from time to time applicable to the Exterior Common Facilities. Tenant shall indemnify and save harmless Landlord and any and all other Landlord's tenants from and against all actions, claims and damages by reason of Tenant's failure to comply with and perform its obligations under this section.

(C) Tenant's Liens Tenant will not permit the Entire Premises to become subject to any mechanics', laborers' or materialmen's lien on account of labor or material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed on the Entire Premises by or at the direction or sufferance of Tenant; provided, however, Tenant shall have the right to contest in good faith and with reasonable diligence the validity of any such lien or claimed lien and on final determination of the lien or claim for the lien, Tenant will immediately pay any judgment rendered with all proper costs and charges, and will, at its own expense, have the lien released and any judgment satisfied.

ARTICLE III USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Planned Use no other purpose.

B) Landlord shall agree and consent to such utility and other easements encumbering the Entire Premises or benefiting the Entire Premises as Tenant may reasonably require for its use and occupancy of the Premises.

C) Landlord agrees that no use of the Entire Premises shall be permitted which is inconsistent with the operation of the Planned Use. Landlord further agrees not to permit or allow any portion of the Entire Premises to be used by any other tenant, subtenant, licensee, or occupant (including Landlord) for the exhibition of commercial movies or as a commercial movie theater complex.

ARTICLE IV RENT

4.01 Annual Fixed Rent.

A) Beginning on the Rent Commencement Date, Tenant shall pay to Landlord during the Lease Term Annual Fixed Rent in the amount of four hundred thousand \$400,000.00 dollars. The Annual Fixed Rent shall be payable in advance in twelve equal monthly installments. The Annual Fixed Rent shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 (B) below.

B) The Annual Fixed Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Annual Fixed Rent shall be increased on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by an amount that is twelve and one half (12.5%) percent greater than the Annual Fixed Rent payable immediately before the Adjustment date in question.

4.02 Percentage Rent.

In addition to the payment of Annual Fixed Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which three and one half (3.5%) percent of the Gross Sales for such Lease Year exceeds the Annual Fixed Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate. For the purpose of computing the Annual Percentage for the first Lease Year, the Gross sales and the annual fixed rate percentage for the partial calendar month, if any, preceding the first Lease Year shall be includable in the Annual Fixed Rate and Gross Sales for the first Lease Year.

Gross Sales shall mean all box office receipts, and receipts from sales of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant and returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions". Commissions paid to agencies or other third parties for selling tickets and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar officer of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of eighteen (18%) percent from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of ten (10%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Entire Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of

the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay when due all Impositions (exclusive of Landlord's Buildings, if any) assessed, levied or attributable to the Entire Premises and/or the Improvements on the Entire Premises (exclusive of Landlord's Buildings, if any). All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

C) Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against Landlord's Buildings, if any.

5.02 Exceptions from Impositions; Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.03 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.03. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.03.

5.04 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities consumed on the Entire Premises exclusive of Landlord's

Buildings, if any. Any utility improvements presently serving the Entire Premises shall be maintained, repaired and replaced by Tenant, at Tenant's expense.

5.05 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Entire Premises, Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations, footings and underground improvements) as well as any and all improvements on the Common Area and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) including Builder's Risk including earthquake to the extent of not less than 100% of the full replacement cost thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Upon written request, Tenant shall name Landlord and any parties requested by Landlord and the holder of the first mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Tenant in writing to disburse such insurance proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or proceeds received by the Tenant and/or Landlord shall be held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and Second, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVI hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Tenant and Landlord shall apply the proceeds of the insurance collected to the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Tenant and Landlord by the licensed architect or engineer in charge of the work. Any amounts payable to Tenant or any Affiliate of Tenant for work or services performed or materials provided as part of any such repair, replacement, restoration or rebuilding shall not exceed competitive rates for such services or materials and Tenant shall, upon request of Landlord, make available to Landlord and its representatives all books and records of Tenant relating to such work, services and materials. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Tenant or Landlord with respect to the damage or destruction involved, and not used, shall be and remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Tenant and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations—Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained, which approval shall not be unreasonably withheld.

B) Tenant shall at all times keep the Entire Premises, Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may, at its option, remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs—Maintenance.

A) Tenant shall, at its sole cost and expense, maintain and repair the Entire Premises and Tenant's Building and all improvements on the Entire Premises exclusive of Landlord's Buildings if any and including all exterior lighting and signs.

B) Tenant shall also be responsible for any losses or damages resulting to Landlord's Buildings, if any from any materials, substances or liquids which are leaked or discharged from any area outside Landlord's Buildings, if any, unless such leakage or discharge is caused by Landlord or Landlord's agents or employees.

Tenant shall commence all of the repairs and maintenance within 3 days after receiving notice thereof from Landlord (provided that in the case of an emergency Tenant shall commence such work immediately upon receiving notice) and shall be diligently completed in a good and workmanlike manner. Notwithstanding the foregoing, Landlord shall have the right and option (but not the obligation) to undertake any such repair, maintenance or other items, in which event Tenant shall reimburse Landlord for all of the costs thereof within 30 days after Landlord's request therefor. If Tenant fails to reimburse Landlord within the 30 day period, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum until such payment has been made.

ARTICLE VIII ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIM, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated biphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.02 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its

agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release; investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any

settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Landlord's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including, reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof, or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or

incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

**ARTICLE IX
IMPROVEMENTS**

9.01 Tenant Improvements. Tenant at its sole cost and expense shall complete all the required on-site and off-site improvements, including all signs, required for the development of the Entire Premises. In addition Tenant shall construct a motion picture theater building on the Premises containing approximately ninety-six thousand two hundred ninety (96,290) square feet with twenty-four auditoriums.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of by Tenant of Tenant's Building or Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits: Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership of Improvements.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein excluding moveable trade fixtures and personal property of Tenant, shall become the property of Landlord, unless and to the extent Tenant to removes any of the foregoing pursuant to Section 9.04 (B).

B) Tenant shall have the right to remove all trade fixtures, equipment and furnishings, including seats, carpets, draperies, screen, sound reproducing equipment, projection equipment, furniture and lobby frames from the Premises without notice to Landlord provided Tenant replaces all items removed with items of similar quality or better quality and the foregoing shall remain the property of the Tenant at the expiration or earlier termination of the Lease. In addition, Landlord shall have the right if Landlord so elects by giving written notice to Tenant of such election at any time before ninety (90) days prior to the end of the Term (including any renewals or extensions) hereof to remove at Tenant's sole cost any other Improvements and all additions, alterations and improvements thereto or replacements thereof erected, constructed, or installed on the Premises. The removal of any of the foregoing shall be completed within thirty (30) days following the end of the Term hereof (including any renewals thereof or any earlier termination permitted by this Lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X INDEMNITY

10.01 Landlord's Indemnity. Except to the extent attributable to the intentional and negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), directly or indirectly arising out of or attributable to (i) any intentional or negligent act or omission of Tenant, its agents, employees, licensees, invitees or contractors on the Leased Premises, occurring within the Leased Premises or (ii) arising from Tenant's or its employees use of the Leased Premises.

10.02 Tenant's Indemnity. Except to the extent attributable to the intentional and negligent acts or omissions of Tenant and its agents, employees, tenants, licensees and contractors, Landlord shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant (and its successors, assigns and subletees), and all of their directors, officers, employees and agents, hereinafter referred to as "Tenant Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), directly or indirectly arising out of or attributable to (i) any intentional or negligent act or omission of Landlord, its agents, employees, licensees, invitees on the Entire Premises or contractors, occurring within the Entire Premises, or (ii) arising from Landlord's use of the Entire Premises.

ARTICLE XI ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease. Landlord shall be entitled to all rent from any assignment or sublease in excess of the Annual Fixed Rent set forth in this Lease.

B) Any assignment of this Lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without Landlord's consent, assign this Lease (a) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenant's Parent Corporation), or (b) to Tenant's Parent Corporation, or (c) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, provided that such corporation duly and validly then guarantees the performance of the obligations under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord in writing of any assignment of the Lease ten (10) days prior to such event.

ARTICLE XII

MORTGAGE SUBORDINATION

12.1 Existing Mortgages. If there is an existing mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises or in any other part of the Entire Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

12.2 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIII

CONDEMNATION — EMINENT DOMAIN

13.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Entire Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

13.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

- A) Notice of Intended Taking;
- B) Service of any legal process relating to condemnation of the Premises or improvements;
- C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or
- D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

13.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

13.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

- A) To Landlord, the amount awarded, if any for the Fair Market Value of all Land, buildings and other improvements on the Entire Premises and all Severance Damages.
- B) To Tenant, the amount awarded, if any, for loss of goodwill, lost business, lost profits, relocation expenses and fixtures; and
- C) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 13.04 out of amounts awarded by the governmental body taking the Premises.

13.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises or the parking taken bears to the total area of the Premises or the parking.

13.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty-three percent (33%) of the Building or thirty-three (33%) of the

parking is taken by condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

13.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses, fixtures and relocation expenses against the acquiring governmental Agency.

ARTICLE XIV DEFAULT

14.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Fixed Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease; provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

14.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 14.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) The worth, at the time of the award," as used in subsections 14.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 14.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 14.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 14.02(C), Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 14.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at ten percent (10%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

14.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be

in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

14.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

14.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 14.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party, which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. Arbitration shall be conducted under the Commercial Arbitration Rules of the American Arbitration Association.

14.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action far proceeding.

ARTICLE XV REPRESENTATIONS AND WARRANTIES

15.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

15.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a Delaware corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

**ARTICLE XVI
DAMAGE OR DESTRUCTION**

16.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. In the event of damage to or destruction of the Tenant's Building or any Improvements on or to the Premises to be covered by the insurance described in Article 6:

(1) Damages of Less Than Fifty Percent (50%) of Replacement Cost. If the cost of repairing or reconstructing the Tenant's Building or Improvements to the condition and form prior to such damage or destruction is not in excess of Fifty percent (50%) of the then new replacement cost of the Improvements and such repairs or reconstruction of any such damage or destruction can be made under then

existing laws, ordinances, statutes or regulations of any governmental authorities applicable thereto (or can be so made with minor and non-material changes to the former condition and form of property damaged or destroyed), Tenant shall effect, and Landlord and Tenant agree that the funds derived from insurance acquired pursuant to Article 6 shall be made available to effect, such repair and reconstruction of the structure or improvement so damaged or destroyed to substantially its condition prior to said damage or destruction with such alterations thereto as Tenant shall reasonably determine prudent or valuable under the circumstances, including any changes required to comply with applicable law, with the then prevailing construction practices applicable to the Premises. Tenant shall be responsible for all costs in excess of Insurance proceeds available. All such work shall be carried on in accordance with Drawings prepared by a licensed architect or architects approved by Landlord (acting reasonably) if such an architect is reasonably required, given the scope and nature of the work. In disbursing insurance proceeds the Tenant and Landlord may rely upon and accept the certified determinations of such architect with respect to estimated costs, awarding of contracts, sufficiency of bonds, progress of construction, interpretation of plans and specifications, compliance with same, and completion of construction. No extras or changes in Drawings shall be made by Tenant without first giving written notice of such changes to Landlord and obtaining Landlord's approval thereof (which approval shall not be unreasonably withheld or delayed).

(2) **Damage in Excess of Fifty Percent (50%).** If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of the Fifty percent (50%) provided in subparagraph (A)(1) of this Section 16.01, or if such cost is less than Fifty percent (50%), but such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto (and cannot be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), the term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

16.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated or elects to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided and subject to the provisions of subparagraph (B) of Section 16.01), and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

16.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenantable, Rent shall thereafter not abate but continue for as long as and to the extent such Improvements are untenantable.

16.04 Damage During Last Two (2) Years of Term. If there occurs during the last two (2) years of the Initial Term or at any time during a Renewal Period damage or destruction to any Improvement on or in the Premises and the costs of repairing, restoring, replacing or rebuilding the same exceed Five Thousand Dollars (\$500,000), then Tenant may elect to terminate the Term and, in such event, Tenant shall give notice to Landlord of its election within sixty (60) days after its determination of the amount of damage, and the Term shall thereupon terminate as of the date of such notice and all insurance proceeds shall become the property of Landlord.

**ARTICLE XVII
MISCELLANEOUS**

17.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Entire Premises and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Entire Premises.

17.02 Brokers. Landlord and Tenant each represent to the other that neither has any obligation to any broker or finder in connection with this transaction, and that no fee or commission is due any broker, finder, or similar person in connection herewith. Landlord and Tenant each indemnifies the other and agrees to hold the other harmless from and against any and all claims, demands, liabilities, lawsuits, costs, and expenses (including reasonable attorneys' fees) for any fee or commission due to any other broker, finder, or similar person in connection with this transaction and arising out of the act of the indemnifying party.

17.03 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

17.04 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

17.05 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

17.06 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

17.07 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

17.08 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

17.09 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

17.10 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 17.11 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express

courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 17.11 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent.

17.11 Addresses for Notices to Landlord and Tenant.

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: SYNM Properties, Inc.
150 Golden Gate Ave.
San Francisco, CA 94102
Attn.: Real Estate Department

To Tenant: Century Theatres, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

17.12 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

17.13 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

17.14 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

17.15 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

17.16 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

17.17 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

17.18 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

17.19 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

17.20 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

17.21 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

17.22 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

17.23 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

- A) Terminate any existing subleases or subtenancies; or
- B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

**CENTURY THEATRES, INC.,
a Delaware Corporation**

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: Senior Exec V.P.

LANDLORD:

**SYNM PROPERTIES, INC.,
a New Mexico Corporation**

By: /s/ Alan Steuer
Print Name: Alan Steuer
Title: CFO

THIRD AMENDMENT TO LEASE

(Rio 24)

THIS THIRD AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY PROPERTIES, INC.**, a California corporation ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. SYNM Properties, Inc. ("Original Landlord") and Century Theatres, Inc., a Delaware corporation ("Original Tenant"), entered into a certain Lease dated as of July 1, 1996 (the "Original Lease"), for certain premises located in Albuquerque, New Mexico.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of April 15, 2005 (the "First Amendment") and (ii) Second Amendment to Lease dated as of September 29, 2005 (the "Second Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise and validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Bernalillo typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on the determination date.

6. **Damage and Destruction — Repairs by Tenant.** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) **Tenant's Obligation to Repair.** If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this (A) and (B), except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) **Damage in Excess of 20%.** If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in Section (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. **Permitted Assignments and Release.** Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall

not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, its is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

“Gross Sales” shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from “Gross Sales” (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant’s actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called “four-wall deals” with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such “four-wall deals” shall be included in “Gross Sales” under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from “Gross Sales” (if and to the extent previously included in “Gross Sales”).

11. **Alterations by Tenant.**

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant’s exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics’ or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and

ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment hereof.

12. **Rooftop Equipment and Access.** Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

13. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (i) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.
- (ii) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.

- (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.
- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.
- (v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

14. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class motion picture theatre complex (whether operated as a so-called "first-run" theatre, a "second-run" theatre, and/or an "art house" theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called "adult" theater complex.

15. **No Obligation To Continuously Operate.** Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

16. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result. Such demolition

shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

17. **Remedies.** The references in Article XIV of the Lease to California Code sections shall be disregarded. In the event of a breach or default by Tenant which is not cured within the applicable cure period (if any) set forth in the Lease, Landlord shall have any and all remedies now or later allowed by law or equity.

18. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with applicable law.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord:	Syufy Properties, Inc. 150 Pelican Way San Rafael, California 94901 Attention: President
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with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601 94901
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this Section by giving written notice of such change to the other.

19. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

20. **Prior Amendments.** The First Amendment and the Second Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall supersede such First Amendment and Second Amendment in their entirety.

21. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy
Name: _____
Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond Syufy
Name: _____
Title: _____

LEASE — ROSEVILLE, CALIFORNIA

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LEASE

THIS INDENTURE OF LEASE, dated and effective as of September 3, 1996, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, CA, hereinafter called "Landlord", and CENTURY THEATRES, INC., a Delaware corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in a parcel of land described on Exhibit A attached hereto.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the land.

NOW THEREFORE, the parties hereto agree as follows:

**ARTICLE I
EXHIBITS — DEFINITIONS**

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the tract of land hereinafter referred to as "Entire Premises" or "Premises" or "Leased Premises".

EXHIBIT B — Form of Memorandum of Lease

1.02 Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" and "Rent Commencement Date" shall mean the date which is the earlier of (i) nine months after Tenant has secured a building permit for construction of Tenant's building or (ii) the date on which Tenant opens for business in the Premises.

The term "Default Rate" shall mean the Ten percent (10%).

The term "Entire Premises" shall mean the tract of land described on Exhibit A.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" or "Premises" shall mean the tract of land described on Exhibit A.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

May 7, 1997

ROSEVILLE

The term "Option Periods" shall mean two (2) successive separate periods of five (5) years each and one (1) successive period of four (4) years.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Planned Use" shall mean the construction and operation of a 54,860 square foot multi-plex motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "Tenant's Building" shall mean the building to be erected by Tenant.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II
PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

- A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein.
- B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".
- C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date.

2.02 Term of Lease.

Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter and shall terminate on the last day of the calendar month during which the date which is twenty (20) years after the Commencement Date occurs. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

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A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each and one (1) additional period of four (4) years (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default (meaning the breach of any obligation hereunder and failure to cure that breach within the time permitted in Section 14.01) at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title: Authority and Quiet Possession: Transfer of Title.

(A) Landlord represents and warrants to Tenant that Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple.

(B) At all times during the Term, Tenant shall keep and maintain the Exterior Facilities in the Entire Premises and Tenant's Building in good order and repair and in a clean and safe condition, reasonably free of debris. Tenant's obligation hereunder shall include maintaining the parking areas of the Entire Premises free of potholes and assuring that they are properly coated and sealed and striped as needed. Tenant shall make any and all additions to and all alterations and repairs in, on and about the Exterior Facilities, which may be required by, and shall otherwise observe and comply with, all public laws, ordinances and regulations from time to time applicable to the Exterior Facilities. Tenant shall indemnify and save harmless Landlord from and against all actions, claims and damages by reason of Tenant's failure to comply with and perform its obligations under this section.

(C) Tenant will not permit the Entire Premises to become subject to any mechanics', laborers' or materialmen's lien on account of labor or material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed on the Entire Premises by or at the direction or sufferance of Tenant; provided, however, Tenant shall have the right to contest in good faith and with reasonable diligence the validity of any such lien or claimed lien and on

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final determination of the lien or claim for the lien, Tenant will immediately pay any judgment rendered with all proper costs and charges, and will, at its own expense, have the lien released and any judgment satisfied.

**ARTICLE III
USE OF PREMISES**

3.01 Use.

A) The Premises may be used for the Planned Use no other purpose.

B) Landlord shall agree and consent to such utility and other easements as Tenant may reasonably require. Tenant shall be subject to and responsible for all costs and granted all rights as set forth in the Grant of Reciprocal Easements and Agreement of Restrictions covering the Premises.

**ARTICLE IV
RENT**

4.01 Annual Fixed Rent.

A) Beginning on the Rent Commencement Date, Tenant shall pay to Landlord during the Lease Term Annual Fixed Rent in the amount of Seven Hundred Eighty-nine Thousand Nine Hundred Eighty-four (\$789,984.00) dollars. The Annual Fixed Rent shall be payable in advance in twelve equal monthly installments. The Annual Fixed Rent shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 (B) below.

B) The Annual Fixed Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Annual Fixed Rent shall be increased on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by an amount of Fifty-four Thousand Eight Hundred Sixty (\$54,860) dollars greater than the Annual Fixed Rent payable immediately before the Adjustment date in question.

4.02 Percentage Rent.

In addition to the payment of Annual Fixed Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which eight (8%) percent of the Gross Sales for such Lease Year exceeds the Annual Fixed Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate. For the purpose of computing the Annual Percentage for the first Lease Year, the Gross sales and the annual fixed rate percentage for the partial calendar month, if any, preceding the first Lease Year shall be includable in the Annual Fixed Rate and Gross Sales for the first Lease Year.

Gross Sales shall mean all box office receipts, and receipts from sales of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant and returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions". Commissions paid to agencies or other third parties for selling tickets and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar officer of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage

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Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due and payable with interest at the annual rate of eighteen (18%) percent from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of ten (10%) per annum computed from the date such rent installment was due until the date actually paid.

**ARTICLE V
TAXES, ASSESSMENTS AND UTILITIES**

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Entire Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay when due all Impositions assessed, levied or attributable to the Entire Premises and/or the Improvements on the Entire Premises.. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

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C) Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against Landlord's Buildings, if any.

5.02 Exceptions from Impositions: Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.03 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.03. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.03.

5.04 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities consumed on the Entire Premises. Any utility improvements presently serving the Entire Premises shall be maintained, repaired and replaced by Tenant, at Tenant's expense.

5.05 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

**ARTICLE VI
INSURANCE**

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this

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Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Entire Premises, Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations, footings and underground improvements) as well as any and all improvements on the Entire Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) including Builder's Risk and earthquake to the extent of not less than 100% of the full replacement cost thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Upon written request, Tenant shall name Landlord and any parties requested by Landlord and the holder of the first mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Tenant in writing to disburse such insurance proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay

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to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or proceeds received by the Tenant and/or Landlord shall be held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and Second, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVI hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Tenant and Landlord shall apply the proceeds of the insurance collected to the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Tenant and Landlord by the licensed architect or engineer in charge of the work. Any amounts payable to Tenant or any Affiliate of Tenant for work or services performed or materials provided as part of any such repair, replacement, restoration or rebuilding shall not exceed competitive rates for such services or materials and Tenant shall, upon request of Landlord, make available to Landlord and its representatives all books and records of Tenant relating to such work, services and materials. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Tenant or Landlord with respect to the damage or destruction involved, and not used, shall be and remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Tenant and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended

coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance earners may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

**ARTICLE VII
MAINTENANCE, REPAIRS AND ALTERATIONS**

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained, which approval shall not be unreasonably withheld.

B) Tenant shall at all times keep the Entire Premises, Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may, at its option, remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance.

Tenant shall, at its sole cost and expense, maintain and repair the Entire Premises and Tenant's Building and all improvements on the Entire Premises including all exterior lighting and signs.

Tenant shall commence all of the repairs and maintenance within 3 days after receiving notice thereof from Landlord (provided that in the case of an emergency Tenant shall commence such work immediately upon receiving notice) and shall be diligently completed in a good and workmanlike manner. Notwithstanding the foregoing, Landlord shall have the right and option (but not the obligation) to undertake any such repair, maintenance or other items, in which event Tenant shall reimburse Landlord for all of the costs thereof within 30 days after Landlord's request therefor. If Tenant fails to reimburse Landlord within the 30 day period, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum until such payment has been made.

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**ARTICLE VIII
ENVIRONMENTAL MATTERS**

8.01 Definition. For purposes of this Article VIII, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.2 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages,

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penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed

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such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Tenant at its sole cost and expense shall keep and maintain the Entire Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Entire Premises.

8.05 Landlord's Responsibilities.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises or any other portion of the Premises by Landlord, its agents, employees, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any

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applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

**ARTICLE IX
IMPROVEMENTS**

9.01 Tenant Improvements.

(A) Tenant at its sole cost and expense shall complete all the required on-site and off-site improvements, including all signs, required for the development of the Entire Premises. In addition Tenant shall construct a motion picture theater building on the Premises containing approximately fifty-four thousand eight hundred sixty (54,860) square feet with sixteen auditoriums.

(B) Landlord agrees to provide Tenant with an improvement allowance of up to a maximum of Four Million Six Hundred Sixty-Three Thousand One Hundred Dollars (\$4,663,100) \$85 per square foot-(Tenant Allowance). Tenant shall pay any difference between the total Tenant Building and improvement cost less the Tenant Allowance. Landlord agrees that it shall pay to Tenant, or at Tenant's direction, to Tenant's contractor, within fifteen (15) days following Landlord's receipt of conditional lien waivers signed by its contractor, in form reasonably sufficient to waive lien rights in Sacramento County, California, an amount equal to the Tenant Allowance multiplied by the percentage of work completed as of the date of the lien waivers, less any installments of Tenant Allowance already paid. If the total contract for Tenant's Work exceeds Tenant's Allowance, Landlord shall only be required to pay its pro-rata share which shall be the ratio of Tenant's Allowance to the total of Tenant's Work. If Landlord disputes any portion of the request for payment by Tenant due to faulty or incomplete work, then Landlord shall withhold a sum which, in Landlord's opinion would be required to correct or complete the disputed work. In this event, Landlord shall submit a written "punch list" to Tenant. In addition Landlord agrees to provide Tenant with a Site Allowance up to a maximum of One Million Seven Hundred Sixty Eight Four Hundred Forty Eight (\$1,768,448) Dollars.

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Anything above to the contrary notwithstanding, Landlord shall no obligation to pay any portion of the construction allowance if Tenant is then in default of any of the terms and provisions of this Lease.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees. Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of by Tenant of Tenant's Building or Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits: Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership of Improvements.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein excluding moveable trade fixtures and personal property of Tenant, shall become the property of Landlord, unless and to the extent Tenant elects to remove any of the foregoing pursuant to Section 9.04 (B).

B) Tenant shall have the right to remove all trade fixtures, equipment and furnishings, including seats, carpets, draperies, screen, sound reproducing equipment, projection equipment, furniture and lobby frames from the Premises without notice to Landlord provided, Tenant replaces all items removed with items of similar quality or better quality and the foregoing shall remain the property of the Tenant at the expiration or earlier termination of the Lease. In addition, Landlord shall have the right if Landlord so elects by giving written notice to Tenant of such election at any time before ninety (90) days prior to the end of the Term (including any renewals or extensions) hereof to remove at Tenant's sole cost any other Improvements and all additions, alterations and improvements thereto or replacements thereof erected, constructed, or installed on the Premises. The removal of any of the foregoing shall be completed within thirty (30) days following the end of the Term hereof (including any renewals thereof or any earlier termination permitted by this Lease).

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

**ARTICLE X
INDEMNITY**

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10.1 Landlord's Indemnity. Except to the extent attributable to the intentional and negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), directly or indirectly arising out of or attributable to (i) any intentional or negligent act or omission of Tenant, its agents, employees, licensees, invitees or contractors on the Leased Premises, occurring within the Leased Premises or (ii) arising from Tenant's or its employees use of the Leased Premises.

10.2 Tenant's Indemnity. Except to the extent attributable to the intentional and negligent acts or omissions of Tenant and its agents, employees, tenants, licensees and contractors, Landlord shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant (and its successors, assigns and subletees), and all of their directors, officers, employees and agents, hereinafter referred to as "Tenant Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), directly or indirectly arising out of or attributable to (i) any intentional or negligent act or omission of Landlord, its agents, employees, licensees, invitees on the Entire Premises or contractors, occurring within the Entire Premises, or (ii) arising from Landlord's use of the Entire Premises.

ARTICLE XI ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease. Landlord shall be entitled to all rent from any assignment or sublease in excess of the Annual Fixed Rent set forth in this Lease.

B) Any assignment of this Lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without Landlord's consent, assign this Lease (a) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (b) to Tenant's Parent Corporation, or (e) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, provided that such corporation duly and validly then guarantees the performance of the obligations under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord in writing of any assignment of the Lease ten (10) days prior to such event.

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ARTICLE XII

MORTGAGE SUBORDINATION

12.01 Existing Mortgages. If there is an existing mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises or in any other part of the Entire Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

12.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIII

CONDEMNATION — EMINENT DOMAIN

13.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to the Entire Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Entire Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

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E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

13.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

- A) Notice of Intended Taking;
- B) Service of any legal process relating to condemnation of the Premises or improvements;
- C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or
- D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

13.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

13.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

- A) To Landlord, the amount awarded, if any for the Fair Market Value of all Land, buildings and other improvements on the Entire Premises and all Severance Damages.
- B) To Tenant, the amount awarded, if any, for loss of goodwill, lost business, lost profits, relocation expenses and fixtures; and
- C) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 13.04 out of amounts awarded by the governmental body taking the Premises.

13.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises or the parking taken bears to the total area of the Premises or the parking.

13.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty-three percent (33%) of the Building or thirty-three (33%) of the parking is taken by condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

13.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses, fixtures and relocation expenses against the acquiring governmental Agency.

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**ARTICLE XIV
DEFAULT**

14.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Fixed Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease; provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

14.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 14.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

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(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 14.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 14.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 14.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 14.02(C), Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 14.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at ten percent (10%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

14.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the

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expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

14.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

14.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 14.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party, which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. Arbitration shall be conducted under the Commercial Arbitration Rules of the American Arbitration Association.

14.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XV REPRESENTATIONS AND WARRANTIES

15.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

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B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

15.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a Delaware corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

**ARTICLE XVI
DAMAGE OR DESTRUCTION**

16.01 Repairs, Alterations and Further Improvements.

In the event of damage to or destruction of the Tenant's Building or any Improvements on or to the Premises whether or not covered by the insurance described in Article 6: Tenant shall effect, at Tenant's sole cost and Landlord and Tenant agree that the funds derived from insurance acquired pursuant to Article 6 shall be made available to effect, such repair and reconstruction of the structure or improvement so damaged or destroyed to substantially its condition prior to said damage or destruction with such alterations thereto as Tenant shall reasonably determine prudent or valuable under the circumstances, including any changes required to comply with applicable law, with the then prevailing construction practices applicable to the Premises. Tenant shall be responsible for all costs in excess of Insurance proceeds available All such work shall be carried on in accordance with Drawings prepared by a licensed architect or architects approved by

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Landlord (acting reasonably) if such an architect is reasonably required, given the scope and nature of the work. In disbursing insurance proceeds the Tenant and Landlord may rely upon and accept the certified determinations of such architect with respect to estimated costs, awarding of contracts, sufficiency of bonds, progress of construction, interpretation of plans and specifications, compliance with same, and completion of construction. No extras or changes in Drawings shall be made by Tenant without first giving written notice of such changes to Landlord and obtaining Landlord's approval thereof (which approval shall not be unreasonably withheld or delayed).

If such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto, the Lease shall Terminate and any insurance proceeds shall become the property of Landlord.

16.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated or elects to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided and subject to the provisions of subparagraph (B) of Section 16.01), and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials alter due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

16.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenantable, Rent shall thereafter not abate but continue for as long as and to the extent such Improvements are untenantable.

16.04 Damage During Last Two (2) Years of Term If there occurs during the last two (2) years of the Initial Term or at any time during a Renewal Period damage or destruction to any Improvement on or in the Premises and the costs of repairing, restoring, replacing or rebuilding the same exceed Five Thousand Dollars (\$500,000), then Tenant may elect to terminate the Term and, in such event, Tenant shall give notice to Landlord of its election within sixty (60) days after its determination of the amount of damage, and the Term shall thereupon terminate as of the date of such notice and all insurance proceeds shall become the property of Landlord.

ARTICLE XVII MISCELLANEOUS

17.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Entire Premises and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Entire Premises.

17.02 Brokers. Landlord and Tenant each represent to the other that neither has any obligation to any broker or finder in connection with this transaction, and that no fee or commission is due any broker, finder, or similar person in connection herewith. Landlord and Tenant each indemnifies the other and agrees to hold the other harmless from and against any and all claims, demands, liabilities, lawsuits, costs, and expenses (including reasonable attorneys' fees) for any fee or commission due to any other broker, finder, or similar person in connection with this transaction and arising out of the act of the indemnifying party.

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17.03 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

17.04 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

17.05 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

17.06 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

17.07 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

17.08 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

17.09 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

17.10 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 17.11 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 17.11 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days

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after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent..

17.11 Addresses for Notices to Landlord and Tenant

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn.: Real Estate Department

To Tenant: Century Theatres, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

17.12 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

17.13 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

17.14 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

17.15 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default

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hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

17.16 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

17.17 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

17.18 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

17.19 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

17.20 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

17.21 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

17.22 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

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17.23 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

**CENTURY THEATRES, INC.,
a Delaware Corporation**

By: /s/ Joseph Syufy

Print Name: Joseph Syufy

Title: Senior Executive V.P.

LANDLORD:

**SYUFY ENTERPRISES
a California Limited Partnership**

By: /s/ Raymond Syufy

Print Name: Raymond Syufy

Title: GP

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THIRD AMENDMENT TO LEASE

(Roseville)

THIS THIRD AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Landlord and Century Theatres, Inc., a Delaware corporation ("Original Tenant"), entered into a certain Lease dated as of September 3, 1996 (the "Original Lease") for certain premises located in Roseville, California.

B. The Original Lease has been previously amended by (i) that certain First Amendment to Lease dated as of April 15, 2005 (the "First Amendment"), and (ii) that certain Second Amendment to Lease dated as of September 29, 2005 (the "Second Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. Recitals Incorporated; Certain Defined Terms. The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. Effectiveness. The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. Initial Term of Lease and Extension Options. Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise an validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as

provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. Landlord's Recapture Right. If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the Sacramento, California metropolitan area typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. Self-Insurance of Property/Casualty Risks. Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. Damage and Destruction — Repairs by Tenant. Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) Tenant's Obligation to Repair. If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section, except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) Damage in Excess of 20%. If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in subsection (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior

written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. Leasehold Financing. Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. Memorandum of Lease. On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. Gross Sales. Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

"Gross Sales" shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased

Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from "Gross Sales" (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant's actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called "four-wall deals" with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such "four-wall deals" shall be included in "Gross Sales" under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from "Gross Sales" (if and to the extent previously included in "Gross Sales").

11. Taxes. Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a "Reassessment") for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term "Tax Increase" shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
 - (ii) Attributable to the annual inflationary increases in real estate taxes; or
-

- (iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant's exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment hereof.

13. Rooftop Equipment and Access. Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications

and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

14. Alterations and Development by Landlord. Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (i) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.
 - (ii) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.
 - (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.
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- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.
- (v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

15. Permitted Use and Operations. From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class motion picture theatre complex (whether operated as a so-called "first-run" theatre, a "second-run" theatre, and/or an "art house" theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called "adult" theater complex.

16. No Obligation To Continuously Operate. Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

17. Removal of Equipment, Surrender and Demolition. Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

18. California Remedies. Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord

has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

19. Termination of Lease and Lessee's Right to Possession. Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (A) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (B) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (C) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (D) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (E) for any other sums due."

20. Notices. The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses

set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: President

with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Piano, TX 75093

Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

21. Miscellaneous Amendments. Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

22. Prior Amendments. The First Amendment and the Second Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall supersede such First Amendment and Second Amendment in their entirety.

23. Effect of Amendment. The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy
Name: Joseph Syufy
Title: Chief Executive Officer

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond Syufy
Name: Raymond Syufy
Title: Chief Executive Officer

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF NEVADA, INC., a Nevada corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land located in the State of Nevada as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Premises.

EXHIBIT B — a site plan of the Premises.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Default Rate" shall mean the lesser of (i) the "Prime Rate" plus four percent (4%) or (ii) the highest rate of interest that may lawfully be charged to the party then required to pay interest under this Lease at the Default Rate.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean three percent (3%)

The term "Premises" shall mean the real property set forth in Exhibit A.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves the right to develop the unimproved portion of the Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) years consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate, ect."; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

C) Tenant is granted all of Landlord's rights under the Rancho Santa Fe Center CC&R's. Tenant shall be responsible for all costs pertaining to the Rancho Santa Fe Center CC&R's.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$10,000.00. The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, Las Vegas Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 3% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a dairy basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which by law may be paid in installments over a period of time, Landlord shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Landlord has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Tenant's premises subject to the Installment Election, Tenant's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Landlord had in fact made the Installment Election.

C) In the event the Premises are separately assessed by the taxing authority, Tenant shall pay all such real property taxes directly to the taxing authority prior to delinquency. In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

D) In the event the Premises are not separately assessed by the taxing authority, Tenant shall pay all such real property taxes to the Landlord prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Proration of Taxes. If the Premises comprise a tax lot or lots with other property owned by Landlord or other parties ("Other Premises") assessed for real estate tax purposes, together with said Other Premises, immediately after the Commencement Date, Landlord and Tenant shall attempt to cause the appropriate taxing authorities to assess the Premises for real estate tax purposes separately from all Other Premises. During any period in which the Premises are assessed for real estate purposes, together with any Other Premises, Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against the Other Premises.

5.03 Exceptions from Impositions: Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto.

Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.05. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or

contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.05.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Premises.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Builder's Risk Insurance. During any restorations, alterations or changes in the Premises that may be made by Tenant at a cost in excess of Five Hundred Thousand Dollars (\$500,000) per job, contingent liability and builder's risk insurance upon the entire work on the Premises to the current one hundred percent (100%) replacement value thereof against "all risks" of physical loss or damage to the property insured, excluding earthquake and/or other earth movements and flood.

C) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations and footings), all improvements on the Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance

proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article VIII, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof, and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (C) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage of destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Premises in first class condition for a building of like kind and place and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Premises shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term “Hazardous Material” means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. (“CERCLA”); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. (“RCRA”); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls (“PCBs”); and freon and other chlorofluorocarbons.

8.02 Tenant’s Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (With counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys’ fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant’s (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the

environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary; and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to

safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of,

compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof, or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX

IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs and which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof shall become the property of Landlord and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Tenant.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Tenant at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant in the Metropolitan Area, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operated motion picture theatres and has a book net worth of not less than \$20,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII

MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV

CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

A) Notice of Intended Taking;

B) Service of any legal process relating to condemnation of the Premises or improvements;

C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or

D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;

B) To Landlord, the amount awarded, if any, for severance damages

C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate without improvements. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);

D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;

E) To Tenant, any other award which will not reduce the amount which otherwise would be awarded to Landlord, and

F) To Landlord, any balance

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant.

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively, they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the rent of other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such

re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02© shall not relieve Tenant from the payment of any sum due to a Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an

absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and me Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a California corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises to the extent then allowed by Law, to substantially the same condition in which the Leased Premises were immediately prior to such damage..

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed); Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining, the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the

reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of Nevada and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.12 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's

Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.12 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

18.10 Addresses for Notices to Landlord and Tenant.

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn: Real Estate Department

To Tenant: Century Theatres of Nevada, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord

shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the

stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF NEVADA, INC., a Nevada Corporation

By: /s/ Joseph Syufy

Print Name: Joseph Syufy

Title: V.P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy

Print Name: Raymond W. Syufy

Title: G.P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of Nevada, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises"), known as the Rancho Santa Fe Theater, located in Las Vegas, Nevada; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of Nevada, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of Nevada, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to "Las Vegas" is hereby deleted and in its place is inserted the "Los Angeles-Orange County Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city

Rancho Santa Fe Las Vegas

admission taxes, sales and use taxes, and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VTL."

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$20,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

Rancho Santa Fe Las Vegas

Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.

“Landlord”

/s/ Raymond W. Syufy

Raymond W. Syufy

Chief Executive Officer

CENTURY THEATRES, INC.

“Tenant”

/s/ Joseph Syufy

Joseph Syufy

President

[STAMP]

Rancho Santa Fe Las Vegas

SECOND AMENDMENT TO LEASE

(Rancho Santa Fe)

THIS SECOND AMENDMENT TO LEASE (this "Amendment") is entered into as of September 30, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

RECITALS:

A. Landlord and Century Theatres of Nevada, Inc., a Nevada corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located at the "Rancho Santa Fe" project in Las Vegas, Nevada.

B. The Original Lease has been previously amended by that certain First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"); the Original Lease as heretofore amended is referred to herein as the "Lease".

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord and Tenant now desire to further amend the Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of August 7, 2006 (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease.** Notwithstanding anything to the contrary in the Lease, the Initial Term of the Lease shall expire on May 31, 2010.

4. **Elimination of Extension Options.** Section 2.03 of the Lease shall be deemed deleted and shall be of no further force or effect. Tenant shall not have any right or option to

extend the term of the Lease beyond the Initial Term (as amended above) and all references in the Lease to the "Renewal Terms" shall be deemed deleted and of no further force or effect.

5. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: any lawful retail or retail/entertainment use, and/or for surface parking; provided, however, in no event shall Tenant be permitted to operate the Leased Premises as a motion picture theater complex, or otherwise for the commercial exhibition of motion pictures, films, videos or images including, without limitation, so-called specialty theaters (e.g., I-Max, I-Works and Showscan-type theaters, and ride/simulator theaters), or for any use which violates any recorded restrictions affecting the Premises.

6. **No Obligation To Continuously Operate** Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

7. **Surrender and Demolition.** The obligation of Tenant to demolish improvements on the Premises pursuant to the final sentence of Section 15.02(E) of the Lease (Paragraph G. of the First Amendment) shall apply (if at all) only to alterations and/or improvements (if any) that are installed upon the Premises by Tenant after the Effective Date.

8. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day

after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: President

with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

9. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms "Leased Premises", "Demised Premises" or "Premises" (and whether or not capitalized) is used herein, it shall be understood to mean the "premises leased hereby"; and whenever the term "Entire Premises" is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby; and any and all references to "Syufy Enterprises, L.P., a California limited partnership" (with or without L.P. in the name and whether or not limited partnership is capitalized) shall be understood to mean Landlord. The term "Non-leased Premises" shall mean the Entire Premises less the Leased Premises.

10. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further

amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the "Lease" shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord, and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy
Name: _____
Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufy
Name: _____
Title: _____

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CENTURY THEATRES
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Exhibit D	Guaranty of Lease	D-1

LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC. a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Building, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Premises.

EXHIBIT B — a site plan of the Premises.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Default Rate" shall mean the lesser of (i) the "Prime Rate" plus four percent (4%) or (ii) the highest rate of interest that may lawfully be charged to the party then required to pay interest under this Lease at the Default Rate.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the real property set forth in Exhibit A.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves the right to develop the unimproved portion of the Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate twenty (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party, shall at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title: Authority and Quiet Possession: Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate, ect."; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$59,166.67 The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco-Oakland-San Jose Average, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent. Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which by law may be paid in installments over a period of time, Landlord shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Landlord has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Tenant's premises subject to the Installment Election, Tenant's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Landlord had in fact made the Installment Election.

C) In the event the Premises are separately assessed by the taxing authority, Tenant shall pay all such real property taxes directly to the taxing authority prior to delinquency. In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

D) In the event the Premises are not separately assessed by the taxing authority, Tenant shall pay all such real property taxes to the Landlord prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Proration of Taxes. If the Premises comprise a tax lot or lots with other property owned by Landlord or other parties ("Other Premises") assessed for real estate tax purposes, together with said Other Premises, immediately after the Commencement Date, Landlord and Tenant shall attempt to cause the appropriate taxing authorities to assess the Premises for real estate tax purposes separately from all Other Premises. During any period in which the Premises are assessed for real estate purposes, together with any Other Premises, Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against the Other Premises.

5.03 Exceptions from Impositions: Charges in Lieu of Impositions

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto.

Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.05. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or

contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.05.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Premises.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Builder's Risk Insurance. During any restorations, alterations or changes in the Premises that may be made by Tenant at a cost in excess of Five Hundred Thousand Dollars (\$500,000) per job, contingent liability and builder's risk insurance upon the entire work on the Premises to the current one hundred percent (100%) replacement value thereof against "all risks" of physical loss or damage to the property insured, excluding earthquake and/or other earth movements and flood.

C) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations and footings), all improvements on the Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance

proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article VIII, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof, and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (C) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Premises in first class condition for a building of like kind and place and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Premises shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term “Hazardous Material” means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. (“CERCLA”); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. (“RCRA”); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls (“PCBs”); and freon and other chlorofluorocarbons.

8.02 Tenant’s Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant; its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises; damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims; attorneys’ fees; consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on in or about the Premises which is through Tenant’s (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the

environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to

safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf, of or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of,

compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof, or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs and which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration, or earlier termination of this Lease, the Improvements and all additions, alterations and implements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and person property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant in the Metropolitan Area, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operated motion picture theatres and has a book net worth of not less than \$20,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII

MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV

CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

A) Notice of Intended Taking;

B) Service of any legal process relating to condemnation of the Premises or improvements;

C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or

D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;

B) To Landlord, the amount awarded, if any, for severance damages

C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate without improvements. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);

D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;

E) To Tenant, any other award which will not reduce the amount which otherwise would be awarded to Landlord; and

F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such

re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award", as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an

absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to § 1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have me right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a California corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises to the extent then allowed by Law, to substantially the same condition in which the Leased Premises were immediately prior to such damage..

(B) Damage in Excess of Fifty Percent (50%) If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the

reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenable, Rent shall not be abated Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII

MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.12 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's

Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.12 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

18.10 Addresses for Notices to Landlord and Tenant

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn: Real Estate Department

To Tenant: Century Theatres of California, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord

shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the

stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

- A) Terminate any existing subleases or subtenancies; or
- B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California Corporation

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: V.P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy
Print Name: Raymond W. Syufy
Title: G.P.

FIRST AMENDMENT TO LEASE

This first amendment to lease dated October 1, 1996 is executed by and between Syufy Enterprises, a California Limited Partnership, hereinafter called "Landlord" and Century Theatres Inc., a Delaware corporation, hereinafter called "Tenant".

WITNESSETH:

WHEREAS, Syufy Enterprises and Century Theatres of California, Inc. (a wholly owned subsidiary of Century Theatres, Inc.) entered into an Indenture of Lease on September 30, 1995, hereinafter referred to as the "Lease", for the Century Ventura 8 Theatre, Ventura, California, and

WHEREAS, the parties hereto desire to amend said Lease as hereinafter provided,

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

1. The Leased Premises shall be increased by 2.58 acres as set forth in the attached Exhibit A to permit Tenant to add eight auditoriums and expand the existing theatre building by a total of 22,066 square feet and to provide additional parking for the Theatre.
2. Landlord shall amend the existing REA to incorporate the land set forth in Exhibit A into the REA.
3. Tenant shall be responsible for all construction costs for the parking and site work improvements. Landlord shall provide Tenant an allowance of \$599,225 towards the site work improvements.
3. Tenant shall be responsible for all construction costs for the expanded building and new auditoriums. Landlord shall provide Tenant an allowance of Eight five (\$85.00) dollars per square foot or a total of \$1,875,610 toward the Tenant Improvements.
4. As consideration Tenant shall pay as additional base rent the amount of \$353,606 per year commencing the date Tenant's work is complete and the new auditoriums are open for business. The revised Base Rent or Minimum Monthly Rent as set forth in the lease shall increase by \$29,467.16 and the new Base Rent under the lease shall be \$88,633.83 per month.

Executed as of the date first written above.

Century Theatres, Inc.

Syufy Enterprises

/s/ Joseph Syufy

/s/ Raymond W. Syufy

Joseph Syufy, Senior Executive Vice President

Raymond W. Syufy, Genl Ptr

SECOND AMENDMENT TO LEASE

This Second Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located on Elba Street in Ventura, California; and

WHEREAS, Landlord and Tenant entered into that certain First Amendment to Lease dated October 1, 1996; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to further amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be further amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to the "San Francisco-Oakland-San Jose Average" is hereby deleted and in its place is inserted the "Los Angeles-Orange County Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending

machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$20,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

Stadium 16 Ventura

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This Second Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy
Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy
Joseph Syufy
President

Stadium 16 Ventura [STAMP]

FOURTH AMENDMENT TO LEASE

(Ventura 16)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Landlord (then known as Syufy Enterprises (the "Original Landlord")) and Century Theatres of California Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in Ventura, California.

B. The Original Lease has been previously amended by (i) that certain First Amendment to Lease dated as of October 1, 1996 (the "First Amendment"), (ii) that certain Second Amendment to Lease dated as of September 1, 2000 (the "Second Amendment"), and (iii) that certain Third Amendment to Lease dated as of April 15, 2005 (the "Third Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the

Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise of a validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Ventura typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on the determination date.

6. **Damage and Destruction — Repairs by Tenant.** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) **Tenant's Obligation to Repair.** If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this (A) and (B), except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) **Damage in Excess of 20%.** If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in Section (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. **Permitted Assignments and Release.** Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall

not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

“Gross Sales” shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from “Gross Sales” (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant’s actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called “four-wall deals” with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such “four-wall deals” shall be included in “Gross Sales” under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from “Gross Sales” (if and to the extent previously included in “Gross Sales”).

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a “Reassessment”) for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term “Tax Increase” shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
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(ii) Attributable to the annual inflationary increases in real estate taxes; or

(iii) Attributable to the sale of Landlord's ownership interest in the Premises on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make nonstructural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant's exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

13. Roofing Equipment and Access. Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Roofing Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications

and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

14. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (i) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.
 - (ii) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.
 - (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.
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- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.
- (v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

15. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class motion picture theatre complex (whether operated as a so-called "first-run" theatre, a "second-run" theatre, and/or an "art house" theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called "adult" theater complex.

16. **No Obligation To Continuously Operate** Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

17. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

18. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord

has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

19. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

20. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

- (a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either
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party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: President
with a copy to:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: General Counsel
and a copy to:	DLA Piper 203 North LaSalle Suite 1900 Chicago, IL 60601 Attention: David Sickle, Esq.
To Tenant:	Century Theatres, Inc.

c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

21. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

22. **Prior Amendments.** All of the provisions of the Second Amendment and the Third Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A of the Second Amendment concerning the definition of Consumer Price Index, (ii) Paragraph E of the Second Amendment concerning the Indemnity and Hold Harmless and (iii) Paragraph C of the Third Amendment, regarding compliance with certain agreements.

23. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy

Name: _____

Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufy

Name: _____

Title: _____

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CENTURY THEATRES
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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Building, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Premises.

EXHIBIT B — a site plan of the Premises.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Default Rate" shall mean the lesser of (i) the "Prime Rate" plus four percent (4%) or (ii) the highest rate of interest that may lawfully be charged to the party then required to pay interest under this Lease at the Default Rate.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the real property set forth in Exhibit A.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves the right to develop the unimproved portion of the Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate TWENTY (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate, ect."; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

C) Tenant shall be subject to and responsible for all costs and granted all rights to any and all agreements, including all Construction, Operation and Reciprocal Easement Agreements, covering the Premises.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$35,833.33. The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, Las Vegas, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which by law may be paid in installments over a period of time, Landlord shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Landlord has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Tenant's premises subject to the Installment Election, Tenant's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Landlord had in fact made the Installment Election.

C) In the event the Premises are separately assessed by the taxing authority, Tenant shall pay all such real property taxes directly to the taxing authority prior to delinquency. In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

D) In the event the Premises are not separately assessed by the taxing authority, Tenant shall pay all such real property taxes to the Landlord prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Proration of Taxes. If the Premises comprise a tax lot or lots with other property owned by Landlord or other parties ("Other Premises") assessed for real estate tax purposes, together with said Other Premises, immediately after the Commencement Date, Landlord and Tenant shall attempt to cause the appropriate taxing authorities to assess the Premises for real estate tax purposes separately from all Other Premises. During any period in which the Premises are assessed for real estate purposes, together with any Other Premises, Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against the Other Premises.

5.03 Exceptions from Impositions: Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto.

Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.05. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or

contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.05.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Premises.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Builder's Risk Insurance. During any restorations, alterations or changes in the Premises that may be made by Tenant at a cost in excess of Five Hundred Thousand Dollars (\$500,000) per job, contingent liability and builder's risk insurance upon the entire work on the Premises to the current one hundred percent (100%) replacement value thereof against "all risks" of physical loss or damage to the property insured, excluding earthquake and/or other earth movements and flood.

C) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations and footings), all improvements on the Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance

proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article VIII, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (C) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Premises in first class condition for a building of like kind and place and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Premises shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term “Hazardous Material” means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. (“CERCLA”); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. (“RCRA”); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls (“PCBs”); and freon and other chlorofluorocarbons.

8.02 Tenant’s Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys’ fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant’s (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the

environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to

safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of,

compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof, or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs and which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorneys fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or properly are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant in the Metropolitan Area, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operated motion picture theatres and has a book net worth of not less than \$20,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII
ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII
MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV
CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

A) Notice of Intended Taking;

B) Service of any legal process relating to condemnation of the Premises or improvements;

C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or

D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;

B) To Landlord, the amount awarded, if any, for severance damages

C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate without improvements. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);

D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;

E) To Tenant, any other award which will not reduce the amount which otherwise would be awarded to Landlord; and

F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all properly therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such

re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an

absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to § 1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a California corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises to the extent then allowed by Law, to substantially the same condition in which the Leased Premises were immediately prior to such damage..

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the

reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.12 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's

shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the

stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

- A) Terminate any existing subleases or subtenancies; or
- B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC., a California Corporation

By: /s/ Joseph Syufy
Print Name Joseph Syufy
Title: V.P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy
Print Name: Raymond W. Syufy
Title: G.P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located in the Northridge Mall in Salinas, California; and

WHEREAS, Century Theatres, Inc., a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to "Las Vegas" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter

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imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01(A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01 (C) to "\$20,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01 (B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

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Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy
Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy
Joseph Syufy
President

[STAMP]

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THIRD AMENDMENT TO LEASE

(Northridge)

THIS THIRD AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Landlord and Century Theatres of California Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in Salinas, California.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), and (ii) Second Amendment to Lease dated as of October 1, 2005 (the "Second Amendment" the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise and validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as

provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Monterey typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on the determination date.

6. **Damage and Destruction — Repairs by Tenant.** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) Tenant's Obligation to Repair. If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease,

then Tenant shall repair the damage and restore the Leased Premises in accordance with this Section, except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) Damage in Excess of 20%. If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in subsection (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding

stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

"Gross Sales" shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines

and video games at the Leased Premises; provided, however, that the following shall be excluded from "Gross Sales" (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant's actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called "four-wall deals" with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such "four-wall deals" shall be included in "Gross Sales" under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from "Gross Sales" (if and to the extent previously included in "Gross Sales").

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a "Reassessment") for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term "Tax Increase" shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
- (ii) Attributable to the annual inflationary increases in real estate taxes; or
- (iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant's exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

13. Rooftop Equipment and Access. Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with

Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

14. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (i) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.
- (ii) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.
- (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.
- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.

(v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

15. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class motion picture theatre complex (whether operated as a so-called “first-run” theatre, a “second run” theatre, and/or an “art house” theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called “adult” theater complex.

16. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant’s default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant’s sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord’s sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

17. **California Remedies.** Landlord’s remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant’s right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant’s breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord’s interest under this Lease shall not constitute an election to terminate Tenant’s right to possession.

18. **Termination of Lease and Lessee’s Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

“If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and

again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

19. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally

delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: President
with a copy to:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: General Counsel
and a copy to:	DLA Piper 203 North LaSalle Suite 1900 Chicago, IL 60601 94901 Attention: David Sickle, Esq.
To Tenant:	Century Theatres, Inc. c/o Cinemark, Inc. 3900 Dallas Parkway Suite 500 Piano, TX 75093 Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this Section by giving written notice of such change to the other.

20. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

21. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall replace and restate such Second Amendment and Third Amendment in their entirety.

22. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy
Name: _____
Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufy
Name: _____
Title: _____

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUT PROPERTIES, INC., a Utah corporation with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF UTAH, INC., a Utah corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Building, Theatre Improvements and equipment located in the State of Utah as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Premises.

EXHIBIT B — a site plan of the Premises.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Default Rate" shall mean the lesser of (i) the "Prime Rate" plus four percent (4%) or (ii) the highest rate of interest that may lawfully be charged to the party then required to pay interest under this Lease at the Default Rate.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five years each.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Premises" shall mean the real property set forth in Exhibit A.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves the right to develop the unimproved portion of the Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate TWENTY (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title: Authority and Quiet Possession: Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate, ect."; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III

USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

ARTICLE IV

RENT

4.01 Minimum Monthly Rent

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$24,583.33 The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly Rent shall be increased (but never decreased) on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, Salt Lake City, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor Index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which by law may be paid in installments over a period of time, Landlord shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Landlord has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Tenant's premises subject to the Installment Election, Tenant's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Landlord had in fact made the Installment Election.

C) In the event the Premises are separately assessed by the taxing authority, Tenant shall pay all such real property taxes directly to the taxing authority prior to delinquency. In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

D) In the event the Premises are not separately assessed by the taxing authority, Tenant shall pay all such real property taxes to the Landlord prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Proration of Taxes. If the Premises comprise a tax lot or lots with other property owned by Landlord or other parties ("Other Premises") assessed for real estate tax purposes, together with said Other Premises, immediately after the Commencement Date, Landlord and Tenant shall attempt to cause the appropriate taxing authorities to assess the Premises for real estate tax purposes separately from all Other Premises. During any period in which the Premises are assessed for real estate purposes, together with any Other Premises, Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against the Other Premises.

5.03 Exceptions from Impositions; Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto.

Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.05. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or

contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.05.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Premises.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI

INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Builder's Risk Insurance. During any restorations, alterations or changes in the Premises that may be made by Tenant at a cost in excess of Five Hundred Thousand Dollars (\$500,000) per job, contingent liability and builder's risk insurance upon the entire work on the Premises to the current one hundred percent (100%) replacement value thereof against "all risks" of physical loss or damage to the property insured, excluding earthquake and/or other earth movements and flood.

C) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations and footings), all improvements on the Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance

proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article VIII, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof, and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (C) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follow:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations—Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Premises in first class condition for a building of like kind and place and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Premises shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term “Hazardous Material” means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. (“CERCLA”); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. (“RCRA”); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls (“PCBs”); and freon and other chlorofluorocarbons.

8.02 Tenant’s Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys’ fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant’s (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the

environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenants Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to

safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of,

compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise landlord in writing whether or not, to the best of Tenant's Knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX
IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs and which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorneys fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or, located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including movable trade fixtures and personal property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease,

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant in the Metropolitan Area, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued, and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operated motion picture theatres and has a book net worth of not less than \$20,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII

MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV

CONDEMNATION — EMINENT DOMAIN

14.01 Definitions The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. "The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Talking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues of the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

A) Notice of Intended Taking;

B) Service of any legal process relating to condemnation of the Premises or improvements;

C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or

D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;

B) To Landlord, the amount awarded, if any, for severance damages

C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate without improvements. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);

D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;

E) To Tenant, any other award which will not reduce the amount, which otherwise would be awarded to Landlord; and

F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such

re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C(X)1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C(X)3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver, of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an

absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representation and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a California corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises to the extent then allowed by Law, to substantially the same condition in which the Leased Premises were immediately prior to such damage..

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the

reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration

ARTICLE XVIII

MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or maybe sought

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of Utah and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.12 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's

Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.12 below or at such other addresses) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

18.10 Addresses for Notices to Landlord and Tenant

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syut Properties
 150 Golden Gate Ave.
 San Francisco, CA 94102
 Att: Real Estate Department

To Tenant: Century Theatres of Utah, Inc.
 150 Golden Gate Avenue
 San Francisco, CA 94102
 Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord

shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the

stockholder, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

- A) Terminate any existing subleases or subtenancies; or
- B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF UTAH, INC.,
a California Corporation

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: V.P.

LANDLORD:

SYUT PROPERTIES, INC.
a California Limited Partnership

By: /s/ Alan Steuer
Print Name: Alan Steuer
Title: CFO

SECOND AMENDMENT TO LEASE

This Second Amendment to Lease dated September 1, 2000 is executed by and between Syut Properties, Inc. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of Utah, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located in South Salt Lake City, Utah; and

WHEREAS, Landlord and Tenant entered into that certain First Amendment to Lease dated January 4, 1998; and

WHEREAS, the parties desire now to further amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be further amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to "Salt Lake City" is hereby deleted and in its place is inserted "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales and use taxes, and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions"

Salt Lake

including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII"

D. Alterations

The last sentence of Section 7.01 (A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$20,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

Salt Lake

This Second Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUT PROPERTIES, INC.
“Landlord”

/s/ Raymond W. Syufy
Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy
Joseph Syufy
President

[STAMP]
Salt Lake

FOURTH AMENDMENT TO LEASE

(Salt Lake 16)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY PROPERTIES, INC.**, a California corporation ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

RECITALS:

A. SYUT Properties, Inc., a Utah corporation ("Original Landlord") and Century Theatres of Utah, Inc., a Utah corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in Salt Lake City, Utah.

B. The Original Lease has been previously amended by (i) that certain First Amendment to Lease dated as of January 4, 1998 (the "First Amendment"), (ii) that certain Second Amendment to Lease dated as of September 1, 2000 (the "Second Amendment"), and (iii) that certain Third Amendment to Lease dated as of September 15, 2005 (the "Third Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise an validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Salt Lake, Utah typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. **Damage and Destruction — Repairs by Tenant.** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) **Tenant's Obligation to Repair.** If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this (A) and (B), except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) **Damage in Excess of 20%.** If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in Section (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. **Permitted Assignments and Release.** Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall

not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

“Gross Sales” shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from “Gross Sales” (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant’s actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called “four-wall deals” with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such “four-wall deals” shall be included in “Gross Sales” under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from “Gross Sales” (if and to the extent previously included in “Gross Sales”).

11. **Alterations by Tenant.**

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant’s exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics’ or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and

ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

12. **Rooftop Equipment and Access.** Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

13. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (a) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.
- (b) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.

- (c) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.
- (d) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.
- (e) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

14. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class motion picture theatre complex (whether operated as a so-called "first-run" theatre, a "second-run" theatre, and/or an "art house" theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called "adult" theater complex.

15. **No Obligation To Continuously Operate.** Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

16. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result. Such demolition

shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

17. **Remedies.** The references in Article XV of the Lease to California Code Sections shall be disregarded, in the event of a breach or default by Tenant which is not cured within the applicable cure periods, if any, set forth in the Lease, Landlord shall have any and all remedies now or later allowed by law or equity.

18. **[Intentionally Omitted]**

19. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with applicable law.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Properties, Inc.
c/o Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: President

with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

20. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

21. **Prior Amendments.** All of the provisions of the First Amendment shall remain in full force and effect. All of the provisions of the Second Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Third Amendment is hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall supersede such Third Amendment in its entirety.

22. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All

future references in the Lease to the "Lease" shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy

Name: Joseph Syufy

Title: C E O

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond Syufy

Name: Raymond Syufy

Title: C E O

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LEASE

THIS INDENTURE OF LEASE, dated as of, April 17, 1998 by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Pelican Way, San Rafael, California, hereinafter called "Landlord", and CENTURY THEATRES, INC., a Delaware corporation with an office at 150 Pelican Way, San Rafael, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, Theatre Building, Improvements and Equipment located at 500 Larkspur Landing Circle, City of Larkspur, County of Marin, State of California.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.01. Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean May 1, 1998.

The term "Effective Date" shall mean April 17, 1998.

The term "Default Rate" shall mean the lesser of (i) the "Prime Rate" plus four percent (4%) or (ii) the highest rate of interest that may lawfully be charged to the party then required to pay interest under this Lease at the Default Rate.

The Term "Initial Rent Due Date" shall mean May 1, 1998.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" and "Entire Premises" and "Premises" shall mean the property as set forth in Exhibit A and the rights, easements and privileges granted to Tenant in this Lease exclusive of the Lease with Pacific Bell Mobile Services which shall remain with the Landlord.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 5 years.

The term "Permitted Use" shall mean the operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession

stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term".

ARTICLE II

PREMISES — TERM — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein excluding the lease with Pacific Bell Mobile Services.

B) The Premises are being leased in their "as is" condition.

C) Landlord shall deliver possession of the Premises to Tenant on the Effective Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate FIVE (5) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Covenant of Title; Authority and Quiet Possession; Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate, ect."; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

C) Tenant shall be subject to, responsible for all costs and granted all rights of the easements, covenants, conditions and restrictions of record affecting the Leased Premises. Tenant shall be subject to the zoning ordinances and regulations and any other laws, ordinances or governmental regulations restricting or regulating the use, occupancy or enjoyment of the Leased Premises.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$7,500.00 The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent".

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the Term.

4.02 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.03 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.04 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V
TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's

predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which by law may be paid in installments over a period of time, Landlord shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Landlord has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Tenant's premises subject to the Installment Election, Tenant's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Landlord had in fact made the Installment Election.

C) In the event the Premises are separately assessed by the taxing authority, Tenant shall pay all such real property taxes directly to the taxing authority prior to delinquency. In the event Tenant fails to pay such real property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

D) In the event the Premises are not separately assessed by the taxing authority, Tenant shall pay all such real property taxes to the Landlord prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Proration of Taxes. If the Premises comprise a tax lot or lots with other property owned by Landlord or other parties ("Other Premises") assessed for real estate tax purposes, together with said Other Premises, immediately after the Commencement Date, Landlord and Tenant shall attempt to cause the appropriate taxing authorities to assess the Premises for real estate tax purposes separately from all Other Premises. During any period in which the Premises are assessed for real estate purposes, together with any Other Premises, Landlord will pay, before the last day on which payment may be made without penalty or interest, all Impositions which shall be levied against the Other Premises.

5.03 Exceptions from Impositions: Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition

or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.05. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.05.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Premises.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI

INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) Builder's Risk Insurance. During any restorations, alterations or changes in the Premises that may be made by Tenant at a cost in excess of Five Hundred Thousand Dollars (\$500,000) per job, contingent liability and builder's risk insurance upon the entire work on the Premises to the current one hundred percent (100%) replacement value thereof against "all risks" of physical loss or damage to the property insured, excluding earthquake and/or other earth movements and flood.

C) Physical Property Damage Insurance. During the term hereof, Tenant shall keep Tenant's Building (excluding foundations and footings), all improvements on the Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance

proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.

C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article VIII, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgagee as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (C) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets (“grade level”); and

(2) Second, any remainder shall be paid to Landlord..

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party’s insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant’s Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party’s reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord’s written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Premises in first class condition for a building of like kind and place and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Premises shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII
ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term “Hazardous Material” means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. (“CERCLA”); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. (“RCRA”); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated byphenyls (“PCBs”); and freon and other chlorofluorocarbons.

8.02 Tenant’s Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys’ fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant’s (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as “Tenant’s Environmental Acts”). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant’s Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant’s Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of

Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with

respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums

paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof, or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs and which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of Landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this

indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant in the Metropolitan Area, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operated motion picture theatres and has a book net worth of not less than \$60,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgages.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII
MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV
CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

- A) Notice of Intended Taking;
- B) Service of any legal process relating to condemnation of the Premises or improvements;
- C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or
- D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

- A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;
- B) To Landlord, the amount awarded, if any, for severance damages
- C) To Landlord, the amount awarded, if any, for the "bonus value" of this leasehold estate without improvements. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);
- D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;
- E) To Tenant, any other award which will not reduce the amount which otherwise would be awarded to Landlord; and
- F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s)

within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding,

to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI
REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

- A) Landlord is the fee owner of the Premises.
- B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.
- C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.
- D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.
- E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets
- F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.
- G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

- A) Tenant is a California corporation in good standing.
- B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.
- C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

ARTICLE XVII
DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises to the extent then allowed by Law, to substantially the same condition in which the Leased Premises were immediately prior to such damage.

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenable, Rent shall not be abated. Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII

MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.12 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.12 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

18.10 Addresses for Notices to Landlord and Tenant.

Notices to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
150 Pelican Way
San Rafael, CA 94941
Attn: Real Estate Department

To Tenant: Century Theatres, Inc.
150 Pelican Way
San Rafael, CA 94941
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to

one hundred twenty percent (125%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

A) Terminate any existing subleases or subtenancies: or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES, INC.,
a Delaware Corporation

By: /s/ Joseph Syufy

Print Name: Joseph Syufy

Title: PRESIDENT

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

BY: Raymond Syufy

Print Name: Raymond Syufy

Title: G.P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated April 30, 2003 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Tenant entered into a lease dated April 17, 1998 (the "Lease") for a motion picture theater building and related parking (the "Premises") located in Larkspur, California; and

WHEREAS, the Initial Term of the Lease is set to expire on May 1, 2003;

WHEREAS, the parties desire now to extend the Initial Term of the Lease by five years and provide for an option to Tenant to further extend the Lease for another five years, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Initial Term and Option to Extend

Section 2.02 of the Lease is amended by deleting the reference in Section 2.02(A) to "FIVE (5) years" and replacing it with "TEN (10) years" and by adding the following subparagraphs:

- B) Tenant may, at Tenant's option, extend the Initial Term of the Lease for a single additional period of five (5) years (the "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term shall commence at the expiration of the Initial Term, and shall terminate on the fifth (5th) anniversary of the date of the commencement of the Renewal Term in question, unless sooner terminated as provided herein.
- C) Failure to duly exercise the option for the Renewal Term shall nullify the option to extend the term of the Lease.
- D) Tenant's right to extend the term of the Lease is subject to:
 - 1. This Lease being in full force and effect on the last day of the Initial Term.
 - 2. Compliance with the following procedure for exercising the option:
 - a. At least six (6) months before the last day of the Initial Term, Tenant shall give Landlord written notice exercising the option. If Tenant shall fail to

Larkspur [STAMP]

give such notice, then Landlord shall notify Tenant in writing of its failure (the "Reminder Notice"), and Tenant shall have an additional fifteen (15) days from its receipt of the Reminder Notice within which to give Landlord written notice exercising the option.

- b. Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If the option is properly exercised by Tenant, the failure of Landlord to execute such a memorandum shall not invalidate such option or the exercise thereof.
3. Tenant is not in default (meaning the breach of any obligation hereunder and the failure to cure that breach within the applicable periods permitted in the Lease) at the time of the exercise of the Renewal Term.

B. Rent

Section 4.01(B) of the Lease is hereby deleted and replaced with the following:

- B) The Minimum Monthly Rent of \$7,500 shall remain in effect up to and including April 30, 2003; thereafter, it shall increase to \$8,625 for the remainder of the Initial Term. If Tenant shall elect to extend the Initial Term, as provided in Section 2.02, the Minimum Monthly Rent shall be increased on the first day of the Renewal Term by a percentage equal to the percentage increase (from April, 2003 to the first day of the Renewal Term) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for all Urban Consumers, All West Average (the "Consumer Price Index" or "CPI"); provided that in no event shall the Minimum Monthly Rent increase by less than 7.5% or more than 15% The Minimum Monthly Rent, as increased herein, shall apply from the first day of the Renewal Term through the end of the Renewal Term.

In the event that the CPI is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the CPI or such successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the CPI shall be used by Landlord for the computations herein set forth.

Larkspur [STAMP]

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy
Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy
Joseph Syufy
President

Larkspur [STAMP]

Second Amendment to Lease

This Second Amendment to Lease (this "**Amendment**") dated April 15, 2005 is executed by and between Syufy Enterprises, L.P., a California limited partnership ("**Landlord**"), and Century Theatres, Inc., a California corporation ("**Tenant**").

Witnesseth:

WHEREAS, Landlord and Century Theatres, Inc., a Delaware corporation ("**Century Theatres (DE)**") entered into a lease dated April 17, 1998, as amended by that certain First Amendment to Lease, dated April 30, 2003, between Syufy Enterprises, L.P. and Century Theatres (DE) (as amended, the "**Lease**") for a motion picture building and related parking (the "**Premises**") located at 500 Larkspur Landing Circle, Larkspur, California; capitalized terms used but not defined herein shall have the meanings set forth in the Lease; and

Whereas, Century Theatres, Inc., a California corporation, has succeeded Century Theatres (DE), as Tenant; and

Whereas, Century Theatres, Inc., a California corporation, has assumed all obligations of Century Theatres (DE), as set forth in the Lease; and

Whereas, the First Amendment to Lease amended the Lease by extending the Initial Term of the Lease from five (5) years to ten (10) years; and

Whereas, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

Now, Therefore, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Term of Lease

The second sentence of Section 2.02(A) of the Lease, as amended by the First Amendment to Lease, is hereby amended by deleting "TEN (10) years" and replacing it with "TWENTY (20) years".

B. Landlord's Right to Develop

1. After the first sentence of Section 2.01 (a) of the Lease, the following is hereby inserted:

Tenant expressly agrees that Landlord shall have the right, but shall have no obligation, to demolish, renovate, remodel, reconstruct or otherwise alter or develop in any manner the Entire Premises or any portion thereof for any and all uses beyond the Permitted Use (the "**Development**") without Tenant's consent; provided, however, that the Development shall not materially interfere with the Permitted Use or Tenant's access to the Premises. In addition to developing some or all of the Entire Premises that

are outside of the Building, Landlord's Development rights set forth above shall include all roof-top and other exterior communication and advertising rights on or about the Entire Premises, including, without limitation, the exclusive right to install, locate, maintain, use, replace and repair satellite dishes and other roof-top communications equipment on the roof of the Building. In connection with the foregoing, Tenant agrees that Tenant shall have no right to lease or otherwise allow any third party to access or use the roof of the Building or any portion of the Premises for any use other than the Permitted Use.

2. Tenant hereby waives all claims of any nature whatsoever Tenant may now have or may hereafter have against Landlord relating in any manner to, directly or indirectly, the Development. Without limiting the generality of the foregoing, Landlord shall not be liable for any damage to persons or property located in, on or about the Premises resulting from or in connection with the Development, and Tenant waives and shall defend, indemnify and hold harmless Landlord from any and all claims asserted by Tenant or Tenant's officers, agents, employees, contractors, licensees, invitees or guests arising from damage resulting from or in connection with the Development (except to the extent such damage is caused by the willful act or gross negligence of Landlord; provided, however, that Landlord shall not be liable for any consequential damages, including, without limitation, any claim for loss of profit or business).

C. Surrender

Notwithstanding anything to the contrary in the Lease, upon the expiration or earlier termination of the Lease and promptly following Tenant's receipt of a cost estimate thereof from Landlord, Tenant shall pay to Landlord an amount equal to the cost of demolishing the improvements located on the Premises and removing all surface debris therefrom to Landlord's reasonable satisfaction, as such cost estimate is determined by Landlord in Landlord's sole and absolute discretion; provided, however, that Tenant may remove any or all of Tenant's furniture, fixtures and equipment (the "**FF&E**") from the Premises, so long as such removal occurs within forty-five (45) days after the Termination Date and Tenant repairs all extraordinary damage caused by such removal. Except as set forth above, from and after the Termination Date, the parties shall have no further rights under the Lease nor further obligations with respect to the Premises, except for any rights or obligations which expressly survive the termination of the Lease in accordance with the provisions thereof or at law.

D. Compliance With Agreements

Tenant acknowledges receipt of a copy of (i) that certain Amendment to Declaration of Conditions, Covenants and Restrictions and Grant of Easements, dated as of May 3, 2004 and recorded as document number 2004-0055408 in the Official Records of Marin County, California (the "**Official Records**"), amending that certain Declaration of Covenants, Conditions and Restrictions and Grant of Easements, dated on or about December 16, 1977 and recorded at Page 561, Book 3307 of the Official Records (collectively, the "**CC&Rs**"), and (ii) that certain Settlement Agreement and Mutual Release (the "**Settlement Agreement**"), executed by Landlord and Tenant, on the one hand, and Lincoln Larkspur Office One Associates, Ltd., Lincoln Larkspur Office Two Associates, Ltd., Lincoln Larkspur Office Three Associates, Ltd.,

Legacy Partners Commercial, Inc., and EOP-Larkspur Landing Office Park, L.L.C., on the other hand, and Tenant covenants and agrees to abide by all terms and conditions contained in the CC&Rs and Settlement Agreement, including, without limitation, those related to hours of operation. Tenant shall defend, indemnify and hold harmless Landlord from any and all claims, demands, losses or judgments arising out of or related the CC&R's, the Settlement Agreement, and their application to Tenant's operations.

E. Miscellaneous

1. This Amendment constitutes the entire understanding of the parties with respect to the subject matter hereof and all prior agreements, representations, and understandings between the parties, whether oral or written, are deemed null, all of the foregoing having been merged into this Amendment.
2. This Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease shall remain in full force and effect.
3. This Amendment shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives and successors and assigns.
4. Each party hereby specifically represents and warrants that its execution of this Amendment has been duly authorized by all necessary corporate or other action, and that this Amendment when fully signed and delivered shall constitute a binding agreement of such party, enforceable in accordance with its terms.
5. The parties acknowledge that each party and/or its counsel have reviewed and revised this Amendment and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Amendment or any amendments or exhibits to this Amendment or any document executed and delivered by either party in connection with this Amendment.
6. This Amendment may be executed in counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

[Signatures on following page]

In Witness Whereof, Landlord and Tenant have executed this Amendment to be effective as of the date first written above.

**Syfy Enterprises, L.P.,
a California limited partnership
“Landlord”**

**Century Theatres, Inc.,
a California corporation
“Tenant”**

/s/ Raymond Syufy
Raymond Syufy,
Chief Executive Officer

/s/ Joseph Syufy
Joseph Syufy,
Chief Executive Officer

FOURTH AMENDMENT TO LEASE

(Larkspur)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

R E C I T A L S:

A. Landlord (then known as Syufy Enterprises, a California limited partnership ("Original Landlord")) and Century Theatres, Inc., a Delaware corporation ("Original Tenant"), entered into a certain Lease dated as of April 17, 1998 (the "Original Lease"), for certain premises located in Larkspur, California.

B. The Original Lease has been previously amended by that certain (i) First Amendment to Lease dated as of April 30, 2003 (the "First Amendment"), (ii) Second Amendment to Lease dated as of April 15, 2005 (the "Second Amendment"), and (iii) Third Amendment to Lease dated as of September 29, 2005 (the "Third Amendment"); the Original Lease as heretofore amended is referred to herein as the "Lease".

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the

contrary in the Lease but subject to the provisions of the Lease applicable to the exercise and validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the County of Marin typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on the determination date.

6. **Damage and Destruction — Repairs by Tenant** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) Tenant's Obligation to Repair. If the Leased Premises are

damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this (A) and (B), except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) **Damage in Excess of 20%.** If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in Section (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding

stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

“Gross Sales” shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from “Gross Sales” (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant’s actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called “four-wall deals” with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such “four-wall deals” shall be included in “Gross Sales” under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from “Gross Sales” (if and to the extent previously included in “Gross Sales”).

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a “Reassessment”) for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term “Tax Increase” shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

- (i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;
- (ii) Attributable to the annual inflationary increases in real estate taxes; or

(iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial in Tenant's use of the Leased Premises as a motion picture theatre complex, including (without limitation) the conversion to stadium seating of the auditoria (if any) in the Leased Premises. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Any alterations, improvements or changes by Tenant must be consistent with the use and operation of the Leased Premises as a motion picture theatre complex. Tenant shall be required to complete all alterations, improvements and changes undertaken by Tenant. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment hereof.

13. Rooftop Equipment and Access. Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any

third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder. Notwithstanding the foregoing, Tenant's exclusive rights are subject to any agreements existing on the date hereof and any extensions thereof that may be exercised by the licensee or lessee thereunder regarding Rooftop Equipment. The lessees or licensees under such agreements may unilaterally extend or renew if and to the extent provided under such agreements, but Landlord may not renew or extend such agreements or extend such agreements unilaterally if such systems interfere with the transmission received by Tenant's Rooftop Equipment installed pursuant to this Section.

14. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

(a) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.

(b) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.

(c) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine or liquor store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.

(d) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.

(e) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

15. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class motion picture theatre complex (whether operated as a so-called "first-run" theatre, a "second run" theatre, and/or an "art house" theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called "adult" theater complex.

16. **No Obligation To Continuously Operate.** Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

17. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as otherwise provided in the Lease. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

18. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to

sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

19. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

20. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the

identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: President

with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601 94901
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this Section by giving written notice of such change to the other.

21. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the

contrary, whenever any of the terms "Leased Premises", "Demised Premises" or "Premises" (and whether or not capitalized) is used herein, it shall be understood to mean the "premises leased hereby"; and whenever the term "Entire Premises" is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term "Non-leased Premises" shall mean the Entire Premises less the Leased Premises.

22. **Prior Amendments.** The Second Amendment and the Third Amendment are hereby deemed to be void *ab initio* - it being the intent of the parties hereto that this Amendment shall supersede such Second Amendment and Third Amendment in their entirety.

23. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the "Lease" shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy
Name: Joseph Syufy
Title: CEO

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond Syufy
Name: Raymond Syufy
Title: CEO

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Exhibit A	A Site Plan of the Parklane Mall retail center including the Leased Premises which is outlined in Red.
Exhibit B	Form of Memorandum of Lease

LEASE

THIS INDENTURE OF LEASE, dated as of August 1, 1997, by and between **SYUFY ENTERPRISES**, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, CA, hereinafter called "Landlord", and **CENTURY THEATRES, INC.**, a Delaware corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord will be acquiring a fee interest in Real Property located within the Parklane Mall retail center on South Virginia Street, Reno, Nevada from Sierra Pacific Properties, Inc., a California Corporation, hereinafter called "Sierra", under an Exchange Agreement between Landlord and Sierra dated April 12, 1996. The Real Property shall consist of a building pad of 72,283 square feet and a 57,784 square foot, 16-screen movie theatre building. In addition the Real Property shall be subject to a Construction, Operation and Reciprocal Easement Agreement, hereinafter called "COREA", by and between The MaceRich Partnership, L.P. a Delaware limited Partnership and Sierra dated August 28, 1997, a copy of which is attached hereto, marked Exhibit C.

This Lease is subject to and contingent upon Landlord acquiring the fee interest in the Real Property located within the Parklane Mall. If Landlord does not acquire title to the Real Property this Lease shall be terminated without any liability on the part of Landlord or Tenant.

Subject to the above recitals and understanding, Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises (as defined below).

NOW THEREFORE, the parties hereto agree as follows:

**ARTICLE I
EXHIBITS - DEFINITIONS**

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a Site Plan of the Parklane Mall retail center including the Leased Premises which is outlined in red.

EXHIBIT B — Form of Memorandum of Lease

EXHIBIT C — Construction, Operation and Reciprocal Easement Agreement dated April 12, 1996.

1.02 Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" and "Rent Commencement Date" shall mean the date Landlord acquires title to the property

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The term "COREA" shall mean the Construction, Operation and Reciprocal Easement Agreement dated August 28, 1997.

The term "Effective Date" shall mean the date Landlord acquires title to the property.

The term "Default Rate" shall mean the Ten percent (10%).

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" or "Premises" or "Real Property" shall mean the 16 screen movie theatre building and the land thereunder as set forth in Exhibit A and the rights, easements and privileges granted to Landlord under the COREA.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate periods of five (5) years each and one (1) successive period of four (4) years.

The term "Percentage Rate" shall mean eight percent (8%).

The term "Planned Use" shall mean the operation of a 57,784 square foot multiplex motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A., New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "Tenant's Building" shall mean the theatre building.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II
PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

- A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein.
- B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

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C) Landlord shall deliver possession of the Premises to Tenant upon acquisition of title to the Real Property.

D) Additional obligations of Landlord and Tenant:

(I) Landlord Obligations:

Under the Exchange Agreement with Sierra, Sierra will acquire land and construct a 16 screen theatre building in accordance with plans and specifications approved by Landlord and Tenant. Sierra will provide the maximum sum of \$12,500,000 toward all costs related to the land acquisition and construction of the theatre building which sum shall represent the total obligation of Landlord.

(II) Tenant Obligations:

Tenant shall pay any difference between the total land, building and improvement costs less the \$12,500,000. In addition Tenant shall pay for all furniture, fixtures and equipment required to complete and operate the theatre.

2.02 Term of Lease.

Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate TWENTY (20) years thereafter and shall terminate on the last day of the calendar month during which the date which is TWENTY (20) years after the Commencement Date occurs. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) years and one (1) additional period of four (4) years (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

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(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default (meaning the breach of any obligation hereunder and failure to cure that breach within the time permitted in Section 14.01) at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title: Authority and Quiet Possession: Transfer of Title

(A) Landlord represents and warrants to Tenant that Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof.

(B) At all times during the Term, Tenant shall keep and maintain Tenant's Building in good order and repair and in a clean and safe condition, reasonably free of debris. Tenant's obligation hereunder shall include the obligations set forth in the COREA, Tenant shall indemnify and save harmless Landlord from and against all actions, claims and damages by reason of Tenant's failure to comply with and perform its obligations under this section. In case of conflict between this Lease and the COREA, the terms and provisions of the COREA shall prevail.

(C) Tenant will not permit the Premises to become subject to any mechanics', laborers' or materialmen's lien on account of labor or material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed on the Premises by or at the direction or sufferance of Tenant; provided, however, Tenant shall have the right to contest in good faith and with reasonable diligence the validity of any such lien or claimed lien and on final determination of the lien or claim for the lien, Tenant will immediately pay any judgment rendered with all proper costs and charges, and will, at its own expense, have the lien released and any judgment satisfied.

(D) Conditions Precedent: Tenant's obligation to lease the Premises is conditioned upon Landlord acquiring the property under the terms of the Exchange Agreement with Sierra.

**ARTICLE III
USE OF PREMISES**

3.01 Use.

A) The Premises may be used in accordance with and subject to the conditions set forth in the COREA.

B) Landlord shall agree and consent to such utility and other easements encumbering the Premises or benefiting the Premises as Tenant may reasonably require for its use and occupancy of the Premises.

C) Tenant shall be subject to all of the benefits and responsible for all costs, as well as all obligations, associated with the COREA.

D) If Tenant ceases operating the Theatre for a period in excess of sixty (60) days and the owner of the Shopping Center elects to purchase the Leased Premises in accordance with the applicable provisions of the COREA, Tenant shall promptly vacate the Premises; however, Tenant shall remain liable to Landlord for all rent due for the balance remaining of either the Original Term or Renewal Term of this Lease.

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**ARTICLE IV
RENT**

4.01 Annual Fixed Rent.

A) Beginning on the Rent Commencement Date, Tenant shall pay to Landlord during the Lease Term Annual Fixed Rent in the amount of One Million Three Hundred Twenty-nine Thousand And Thirty-six (\$1,329,036.00) dollars. The Annual Fixed Rent shall be payable in advance in twelve (12) equal monthly installments. The Annual Fixed Rent shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 (B) below.

B) The Annual Fixed Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Annual Fixed Rent shall be increased on the first day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by an amount of eighty-six thousand six hundred seventy six (\$86,676) dollars greater than the Annual Fixed Rent payable immediately before the Adjustment date in question.

4.02 Percentage Rent.

In addition to the payment of Annual Fixed Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% percent of the Gross Sales for such Lease Year exceeds the Annual Fixed Rent which is payable for such Lease Year. For the purpose of computing the Annual Percentage for the first Lease Year, the Gross sales and the annual fixed rate percentage for the partial calendar month, if any, preceding the first Lease Year shall be includable in the Annual Fixed Rate and Gross Sales for the first Lease Year.

Gross Sales shall mean all box office receipts, and receipts from sales of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant and returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions". Commissions paid to agencies or other third parties for selling tickets and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar officer of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the payment. Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of eighteen (18%) percent from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof.

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4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of ten (10%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Premises, or the rents receivable therefrom, or any part thereof or any use thereon or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay when due all Impositions assessed, levied or attributable to the Premises and/or the Improvements on the Premises.. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) In the event Tenant fails to pay such Real Property taxes as provided herein, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as Additional Rent with interest thereon at the rate of 18% per annum from the date of Landlord's payment plus any fine, penalty, interest or cost which is levied by the taxing authority for such late payment.

C) Tenant shall be responsible for such impositions as are set forth in the COREA.

5.02 Exceptions from Impositions: Charges in Lieu of Impositions

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relates to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on

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the Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Premises were the only property of Landlord subject to such taxes, or the income from operation of the Premises were Landlord's only income, as the case may be.

5.03 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with any effort pursued by Tenant in accordance with this Section 5.03. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.03.

5.04 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities consumed on the Premises. Any utility improvements presently serving the Premises shall be maintained, repaired and replaced by Tenant, at Tenant's expense. Tenant shall be responsible for all costs for utilities as are set forth in the COREA.

5.05 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including without limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured. In addition Tenant shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in the COREA.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) **Commercial General Liability Insurance.** Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises, Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Five Million Dollars (\$5,000,000) per occurrence and in the aggregate.

B) **Physical Property Damage Insurance.** During the term hereof, Tenant shall keep Tenant's Building (excluding foundations, footings and underground improvements) as well as any and all improvements on the Premises and personal property insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) including Builder's Risk and earthquake to the extent of not less than 100% of the full replacement cost thereof less any deductible

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applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Upon written request, Tenant shall name Landlord and any parties requested by Landlord and the holder of the first mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Tenant in writing to disburse such insurance proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

- A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.
- B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.
- C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.
- D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or proceeds received by the Tenant and/or Landlord shall be held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and Second, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance

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proceeds from damage or loss to property shall be determined in part in accordance with Article XVI hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Tenant and Landlord shall apply the proceeds of the insurance collected to the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Tenant and Landlord by the licensed architect or engineer in charge of the work. Any amounts payable to Tenant or any Affiliate of Tenant for work or services performed or materials provided as part of any such repair, replacement, restoration or rebuilding shall not exceed competitive rates for such services or materials and Tenant shall, upon request of Landlord, make available to Landlord and its representatives all books and records of Tenant relating to such work, services and materials. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Tenant or Landlord with respect to the damage or destruction involved, and not used, shall be and remain the property of Landlord.

A) **Distribution of Unutilized Proceeds.** At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Tenant and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article, irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other

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party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

**ARTICLE VII
MAINTENANCE, REPAIRS AND ALTERATIONS**

7.01 Alterations — Changes.

A) Subject to any and all conditions set forth in the COREA, at any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion of the interior of the building provided that all such alterations or changes shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural in nature Landlord's written approval shall be first obtained, which approval shall not be unreasonably withheld. Tenant may not make any alterations, additions or changes to the exterior of the building.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

C) Upon termination of this Lease, Tenant may, at its option, remove any personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance.

Tenant shall, at its sole cost and expense, maintain and repair the Premises and Tenant's Building and all improvements on the Premises including all exterior lighting and signs.

Tenant shall commence all of the repairs and maintenance within 3 days after receiving notice thereof from Landlord (provided that in the case of an emergency Tenant shall commence such work immediately upon receiving notice) and shall be diligently completed in a good and workmanlike manner. Notwithstanding the foregoing, Landlord shall have the right and option (but not the obligation) to undertake any such repair, maintenance or other items, in which event Tenant shall reimburse Landlord for all of the costs thereof within 30 days after Landlord's request therefor. If Tenant fails to reimburse Landlord within the 30 day period, Tenant shall pay Landlord in addition interest thereon at the rate of 18% per annum until such payment has been made.

7.03 Repairs — Common Area.

Tenant shall be responsible for its repair and maintenance obligations as set forth in the COREA.

**ARTICLE VIII
ENVIRONMENTAL MATTERS**

8.01 Definition. For purposes of this Article VIII, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251,

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et seq.; all as amended, or any State of Nevada or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) polychlorinated biphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.02 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence

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(excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any cleanup, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, state or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to commence or cause to be commenced in a timely fashion, or

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fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case where Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any other third parties.

8.04 Maintenance of Premises.

A) Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for an Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities.

A) Landlord shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Premises or any other portion of the Premises by Landlord, its agents, employees, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII, Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

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8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge, Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

**ARTICLE IX
IMPROVEMENTS**

9.01 Improvements. Tenant Building and Improvements will be constructed in accordance with Section 2.01 of Article II.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction by Tenant of Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits; Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership of Improvements.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein excluding moveable trade fixtures and personal property of Tenant, shall become the property of Landlord, unless and to the extent Tenant elects to remove any of the foregoing pursuant to Section 9.04 (B).

B) Tenant shall have the right to remove all trade fixtures, equipment and furnishings, including seats, carpets, draperies, screen, sound reproducing equipment, projection equipment, furniture and lobby frames from the Premises without notice to Landlord provided, Tenant replaces all items removed with items of similar quality or better quality and the foregoing shall remain the property of the Tenant at the

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expiration or earlier termination of the Lease. In addition, Landlord shall have the right if Landlord so elects by giving written notice to Tenant of such election at any time before ninety (90) days prior to the end of the Term (including any renewals or extensions) hereof to remove at Tenant's sole cost any other Improvements and all additions, alterations and improvements thereto or replacements thereof erected, constructed, or installed on the Premises. The removal of any of the foregoing shall be completed within thirty (30) days following the end of the Term hereof (including any renewals thereof or any earlier termination permitted by this Lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X INDEMNITY

10.01 Landlord's Indemnity. Except to the extent attributable to the intentional and negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successors, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as "Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), directly or indirectly arising out of or attributable to (i) any intentional or negligent act or omission of Tenant, its agents, employees, licensees, invitees or contractors on the Leased Premises, occurring within the Leased Premises or (ii) arising from Tenant's or its employees use of the Leased Premises.

10.02 Tenant's Indemnity. Except to the extent attributable to the intentional and negligent acts or omissions of Tenant and its agents, employees, tenants, licensees and contractors, Landlord shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant (and its successors, assigns and sublessees), and all of their directors, officers, employees and agents, hereinafter referred to as "Tenant Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), directly or indirectly arising out of or attributable to (i) any intentional or negligent act or omission of Landlord, its agents, employees, licensees, invitees on the Premises or contractors, occurring within the Premises, or (ii) arising from Landlord's use of the Premises.

10.03 COREA. Tenant shall be subject to and be responsible for all the indemnification provisions as set forth in the COREA.

ARTICLE XI ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease. Landlord shall be entitled to all rent from any assignment or sublease in excess of the Annual Fixed Rent set forth in this Lease.

B) Any assignment of this Lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

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C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without Landlord's consent, assign this Lease (a) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenant's Parent Corporation), or (b) to Tenant's Parent Corporation, or (c) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, provided that such corporation duly and validly then guarantees the performance of the obligations under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord in writing of any assignment of the Lease ten (10) days prior to such event.

ARTICLE XII

MORTGAGE SUBORDINATION

12.01 Existing Mortgages. If there is an existing mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises or in any other part of the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

12.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIII

CONDEMNATION — EMINENT DOMAIN

13.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Premises or Improvements or Parking or any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

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B) "Total Taking" means the Taking of the fee title to the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, or any Improvements thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

13.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

A) Notice of Intended Taking;

B) Service of any legal process relating to condemnation of the Premises or improvements;

C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or

D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation.

13.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

13.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

A) To Landlord, the amount awarded, if any for the Fair Market Value of all Land, buildings and other improvements on the Premises and all Severance Damages.

B) To Tenant, the amount awarded, if any, for loss of goodwill, lost business, lost profits, relocation expenses and fixtures; and

C) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 13.04 out of amounts awarded by the governmental body taking the Premises.

13.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be

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reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

13.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty-three percent (33%) of the Building is taken by condemnation or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

13.07 Separate Tenant's Award. In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses, fixtures and relocation expenses against the acquiring governmental Agency.

ARTICLE XIV DEFAULT

14.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Fixed Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease; provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

14.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated,

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such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 14.02(B), Tenant shall have the right to sublet the Premises, assign its interest in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

- (1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;
- (2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;
- (3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and
- (4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 14.02(C)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 14.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 14.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 14.02(C), Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 14.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid

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by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at ten percent (10%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

14.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

14.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

14.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 14.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party, which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. Arbitration shall be conducted under the Commercial Arbitration Rules of the American Arbitration Association.

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14.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

**ARTICLE XV
REPRESENTATIONS AND WARRANTIES**

15.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord after the date Landlord acquires title to the property, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances. Title to the Premises shall be free of all Objected Exceptions.

15.02 Tenant's Representations and Warranties. Tenant represents and warrants:

A) Tenant is a Delaware corporation in good standing.

B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.

C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

**ARTICLE XVI
DAMAGE OR DESTRUCTION**

16.01 Repairs, Alterations and Further Improvements.

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In the event of damage to or destruction of the Tenant's Building or any Improvements on or to the Premises whether or not covered by the insurance described in Article 6: Tenant shall effect, at Tenant's sole cost and Landlord and Tenant agree that the funds derived from insurance acquired pursuant to Article 6 shall be made available to effect, such repair and reconstruction of the structure or improvement so damaged or destroyed to substantially its condition prior to said damage or destruction with such alterations thereto as Tenant shall reasonably determine prudent or viable under the circumstances, including any changes required to comply with applicable law, with the then prevailing construction practices applicable to the Premises. Tenant shall be responsible for all costs in excess of Insurance proceeds available All such work shall be carried on in accordance with the provisions of the COREA and with Drawings prepared by a licensed architect or architects approved by Landlord (acting reasonably) if such an architect is reasonably required, given the scope and nature of the work. In disbursing insurance proceeds the Tenant and Landlord may rely upon and accept the certified determinations of such architect with respect to estimated costs, awarding of contracts, sufficiency of bonds, progress of construction, interpretation of plans and specifications, compliance with same, and completion of construction. No extras or changes in Drawings shall be made by Tenant without first giving written notice of such changes to Landlord and obtaining Landlord's approval thereof (which approval shall not be unreasonably withheld or delayed).

If such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto, the Lease shall Terminate and any insurance proceeds shall become the property of Landlord.

16.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided), and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

16.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenable, Rent shall thereafter not abate but continue for as long as and to the extent such Improvements are untenable.

16.04 Damage During Last Two (2) Years of Term. If there occurs during the last two (2) years of the Initial Term or at any time during a Renewal Period damage or destruction to any Improvement on or in the Premises and the costs of repairing, restoring, replacing or rebuilding the same exceed Five Thousand Dollars (\$500,000), then Landlord may elect to terminate the Term and, in such event, Landlord shall give notice to Tenant of its election within sixty (60) days after its determination of the amount of damage, and the Term shall thereupon terminate as of the date of such notice and all insurance proceeds shall become the property of Landlord.

ARTICLE XVII MISCELLANEOUS

17.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises shall be limited to its interest in the Premises and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Premises.

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17.02 Brokers. Landlord and Tenant each represent to the other that neither has any obligation to any broker or finder in connection with this transaction, and that no fee or commission is due any broker, finder, or similar person in connection herewith. Landlord and Tenant each indemnifies the other and agrees to hold the other harmless from and against any and all claims, demands, liabilities, lawsuits, costs, and expenses (including reasonable attorneys' fees) for any fee or commission due to any other broker, finder, or similar person in connection with this transaction and arising out of the act of the indemnifying party.

17.03 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

17.04 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

17.05 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of Nevada and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

17.06 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease falls on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

17.07 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

17.08 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

17.09 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

17.10 Notices to Landlord and Tenant

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 17.11 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 17.11 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying

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lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent.

17.11 Addresses for Notices to Landlord and Tenant.

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn.: Real Estate Department

To Tenant: Century Theatres, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

17.12 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

17.13 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant. Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

17.14 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive

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governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

17.15 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

17.16 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

17.17 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

17.18 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

17.19 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

17.20 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

17.21 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

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17.22 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

17.23 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either:

- A) Terminate any existing subleases or subtenancies; or
- B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

**CENTURY THEATRES, INC.,
a Delaware Corporation**

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: Sr. Executive Vice President

LANDLORD:

**SYUFY ENTERPRISES
a California Limited Partnership**

By: /s/ Raymond Syufy
Print Name: Raymond Syufy
Title: General Partner

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THIRD AMENDMENT TO LEASE

(ParkLane, Nevada)

THIS THIRD AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between SYUFY ENTERPRISES, L.P., a California limited partnership ("Landlord"), and CENTURY THEATRES, INC., a California corporation ("Tenant").

RECITALS:

A. Landlord (then known as Syufy Enterprises ("Original Landlord")) and Century Theatres of Nevada Inc., a Nevada corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease"), for certain premises located in Reno, Nevada.

B. The Original Lease has been previously amended by (i) that certain First Amendment to Lease dated as of April 15, 2005 (the "First Amendment") and (ii) that certain Second Amendment to Lease dated as of September 29, 2005 (the "Second Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. Recitals Incorporated; Certain Defined Terms. The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. Effectiveness. The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. Initial Term of Lease and Extension Options. Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise an validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 30, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. Landlord's Recapture Right. If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the Reno, Nevada metropolitan area typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. Self-Insurance of Property/Casualty Risks. Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on such determination date.

6. Damage and Destruction – Repairs by Tenant. Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) **Tenant's Obligation to Repair.** If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this (A) and (B), except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) **Damage in Excess of 20%.** If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in Section (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. Permitted Assignments and Release. Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall

not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

“Gross Sales” shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from “Gross Sales” (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant’s actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called “four-wall deals” with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such “four-wall deals” shall be included in “Gross Sales” under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from “Gross Sales” (if and to the extent previously included in “Gross Sales”).

11. **Alterations by Tenant.**

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make nonstructural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant’s exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics’ or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and

ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

12. **Rooftop Equipment and Access.** Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

13. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

- (i) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.
- (ii) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.

- (iii) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.
- (iv) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.
- (v) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

14. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class motion picture theatre complex (whether operated as a so-called "first-run" theatre, a "second run" theatre, and/or an "art house" theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called "adult" theater complex.

15. **No Obligation To Continuously Operate** Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

16. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result, except as

otherwise provided in the Lease. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

17. **Remedies.** The references in Article XV of the Lease to California Code Sections shall be disregarded. In the event of a breach or default by Tenant which is not cured within the applicable cure periods, if any, set forth in the Lease, Landlord shall have any and all remedies now or later allowed by law or equity.

18. **Intentionally Omitted.**

19. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below (including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with applicable law.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord:	Syufy Enterprises, L.P. 150 Pelican Way San Rafael, California 94901 Attention: President
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with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

20. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms "Leased Premises", "Demised Premises" or "Premises" (and whether or not capitalized) is used herein, it shall be understood to mean the "premises leased hereby"; and whenever the term "Entire Premises" is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term "Non-leased Premises" shall mean the Entire Premises less the Leased Premises.

21. **Prior Amendments.** The First Amendment and the Second Amendment are hereby deemed to be void *ab initio* - it being the intent of the parties hereto that this Amendment shall supersede such First Amendment and Second Amendment in their entirety.

22. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the "Lease" shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy
Name _____
Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond Syufy
Name _____
Title: _____

LEASE
CENTURY THEATRES

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LEASE

THIS INDENTURE OF LEASE, dated as of September 30, 1995, by and between SYUFY ENTERPRISES, a California Limited Partnership with an office at 150 Golden Gate Ave., San Francisco, California, hereinafter called "Landlord", and CENTURY THEATRES OF CALIFORNIA, INC., a California corporation with an office at 150 Golden Gate Avenue, San Francisco, CA 94102, hereinafter called "Tenant".

RECITALS

Landlord owns the fee interest in Land, (including land on Vemon Ave.) Buildings, Theatre Improvements and equipment located in the State of California as set forth in Exhibit A.

Landlord and Tenant wish to provide for the lease by Landlord to Tenant of the Premises.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I
EXHIBITS — DEFINITIONS

1.01 Attachments to Lease and Exhibits

Attached to this Lease and hereby made a part hereof are the following:

EXHIBIT A — a description of the Entire Premises.

EXHIBIT B — a site plan of the Entire Premises including the Leased Premises which is outlined in red and land on Vernon Ave.

EXHIBIT C — Form of Memorandum of Lease

EXHIBIT D — Guaranty of Lease

1.02 Definitions.

The following terms for purposes of this Lease shall have the meanings hereinafter specified:

The term "Commencement Date" shall mean October 1, 1995.

The term "Effective Date" shall mean October 1, 1995.

The term "Entire Premises" shall mean the Land including Buildings, the Leased Premises, parking; driveways and such other improvements as may presently exist or be added.

The Term "Initial Rent Due Date" shall mean October 1, 1995.

The term "Initial Term" is defined in Section 2.02 herein.

The term "Leased Premises" shall mean Tenant's Building as set forth in Exhibit B and the land thereunder and the rights, easements and privileges granted to Tenant in this Lease.

The term "Mortgage" shall mean any mortgage or deed of trust or other instrument in the nature thereof evidencing a security interest in the Entire Premises or any part thereof.

The term "Number of Term Years" shall mean 20 years.

The term "Option Periods" shall mean two (2) successive separate period of five years each.

The term "Percentage Rate" shall mean (8%).

The term "Premises" shall mean the Leased Premises.

The term "Permitted Use" shall mean the construction and operation of a motion picture theatre, and for such activities in connection therewith as are customary and usual at other motion picture theatres operated by Tenant including, without limitation, the operation of vending machines and video games; operation of concession stands; sale of movie related T-shirts, toys and memorabilia, rentals of auditoriums to third parties and other such activities on the Premises.

The term "Prime Rate" shall be the per annum interest rate from time to time publicly announced by Citibank, N.A. New York, New York as its base rate. The Prime Rate shall be as announced by Citibank, N.A. notwithstanding that Citibank, N.A. may actually charge other rates, and a written statement from Citibank, N.A. as to what the Prime Rate was on any given day shall be deemed conclusive. In the event that Citibank, N.A. should cease to publicly announce its prime rate, the Prime Rate hereunder shall be the prime rate of any one of the then largest banks (based on assets) in the United States as selected by Tenant upon notice to Landlord.

The term "term of this Lease" or "term hereof" shall mean the initial term, as provided in the article captioned "Term" and any renewal or extensions thereof.

ARTICLE II

PREMISES — TERM — OPTIONS — COVENANT OF TITLE

2.01 Lease of Premises.

A) Landlord leases to Tenant and Tenant leases from Landlord, the Premises, upon the terms and conditions contained herein. Landlord reserves and retains the right to develop the unimproved portion of the Entire Premises so long as it does not interfere with Tenant's Permitted Use.

B) The Premises are being leased in their "as is" condition subject to Article VIII herein captioned "Environmental Matters".

C) Landlord shall deliver possession of the Premises to Tenant on the Effective: Date, free of all leases, tenancies and occupancies.

2.02 Term of Lease.

A) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from Landlord or any person claiming by, from or under Landlord.

The "Initial Term" of this Lease shall begin on the Commencement Date and shall terminate TWENTY (20) years thereafter. References herein to the "Lease Term" shall mean the Initial Term of this Lease or the Initial Term as extended under Section 2.02.

2.03 Option to Extend Lease Term.

A) Tenant may, at Tenant's option, extend the Initial Term of this Lease for up to two (2) consecutive additional periods of five (5) each (individually called a "Renewal Term"), subject to all the provisions of this Lease. The Renewal Term in question shall commence at the expiration of the Initial Term (or the immediately preceding Renewal Term, as the case may be), and shall terminate on the fifth (5th) anniversary of the date of commencement of the Renewal Term in question, unless sooner terminated as provided herein.

B) Failure to duly exercise the option for any Renewal Term shall nullify the option for the remaining Renewal Terms.

C) Tenant's right to the options to extend the Lease Term and Tenant's rights to the Renewal Term are subject to:

(1) This Lease being in full force and effect on the last day of the Initial Term or the then current Renewal Term, as applicable.

(2) Compliance with the following procedure for exercising the option in question:

(a) At least nine (9) months before the last day of the Initial Term, or the then current Renewal Term, as the case may be, Tenant shall give Landlord written notice exercising the option.

(b) Each party shall, at the request of the other, execute a memorandum acknowledging the fact that the option in question has been exercised. If an option is properly exercised by Tenant, the failure of Landlord to execute such memorandum shall not invalidate such option or the exercise thereof.

(3) Tenant is not in default at time of the exercise of the renewal and at the commencement of the renewal term.

2.04 Covenant of Title: Authority and Quiet Possession: Transfer of Title.

(A) Landlord represents and warrants to Tenant that: (i) Landlord has full right and lawful authority to enter into and perform Landlord's obligations under this Lease for the term hereof, and has good and marketable title to the Entire Premises in fee simple, free and clear of all contracts, leases, tenancies, agreements, restrictions, violations, encumbrances or defects in title of any nature whatsoever which would restrict or prevent the use of or enjoyment by Tenant of the Leased Premises or the rights, easements or privileges granted Tenant under this Lease; (ii) this Lease shall not be subject or subordinate to any Mortgage except for such subordination as may be accomplished in accordance with the provisions of the article captioned "Estoppel Certificate"; (iii) if Tenant shall have discharged the obligations herein set forth to be performed by Tenant, Tenant shall have and enjoy, during the term hereof, the quiet and undisturbed possession of the Leased Premises and all appurtenances appertaining thereto.

ARTICLE III
USE OF PREMISES

3.01 Use.

A) The Premises may be used for the Permitted Use and for no other purpose.

B) Tenant shall not use the Premises, or permit the use of the premises, in any manner which constitutes a violation of any laws, regulations, ordinances, statutes or rules governing the premises, or which constitutes a nuisance or waste of which would increase Landlord's insurance or liability.

C) Tenant is granted a non-exclusive easement for parking and ingress and egress on and over the Entire Premises as well as the rights under the Easement Agreement with the Neighborhood Bible Church. Tenant is responsible for all costs associated with the Vernon Ave. land, the Easement Agreement and the Entire Premises exclusive of Landlord's Buildings.. The location of said easements may be changed at the sole discretion of the Landlord so long as such change does not interfere with Tenant's Permitted Use.

ARTICLE IV
RENT

4.01 Minimum Monthly Rent.

A) Beginning on the Initial Rent Due Date, Tenant shall pay to Landlord during the Lease Term a "Base Rent" of \$100,833.33. The Base Rent is sometimes referred to herein as the "Minimum Monthly Rent" and shall be subject to adjustment every five (5) years after the Initial Rent Due Date as set forth in Section 4.01 B below.

B) The Minimum Monthly Rent shall apply from the Rent Commencement Date through the end of the fifth (5th) Lease Year of the Term. The Minimum Monthly day of the sixth (6th) Lease Year and on the first day of each fifth (5th) Lease Year thereafter during the Term by a percentage equal to the percentage of increase from the "base period" (as hereinafter defined in this Section) of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco- Oakland-San Jose Average, Subgroup "All Items", (1982-84=100) (the "Consumer Price Index"); provided, however, in no event shall the Minimum Monthly Rent be increased by an amount that is less than seven and one-half (7.5%) greater than the Minimum Monthly Rent payable before the adjustment date in question.

In the event that the Consumer Price Index is not available, the successor or substitute index shall be used for the computations herein set forth. In the event that the Consumer Price Index or such Successor or substitute index is not published, a reliable governmental or other non-partisan publication evaluating the information theretofore used in determining the Consumer Price Index shall be used by Landlord for the computations herein set forth. For the purposes of the computations herein set forth, the basis for any substitute or successor index or such governmental or non-partisan publication shall be converted to a basis of 100 only in the event that the basis used in such index or publication is less than 100.

4.02 Percentage Rent. In addition to the payment of Base Rent, Tenant shall pay to Landlord for each Lease Year during the Term of this Lease, as Percentage Rent a sum equal to the amount by which 8% of the Gross Sales for such Lease Year exceeds the Base Rent which is payable for such Lease Year equal to the quotient obtained by dividing the annual fixed rate for such Lease year by the percentage rate.

Gross Sales shall mean all box office receipts, sales of goods, merchandise, beverages, food, vending machines and video games. Gross sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city admission taxes, sales taxes and other similar taxes now or hereafter imposed (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and

actually paid over to the taxing authority by Tenant; commissions paid to agencies or other third parties for selling tickets; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions" and any sums paid to third parties for the use or rental of vending machines, pay telephones or Other amusement machines.

Tenant agrees to furnish Landlord a statement certified by its chief financial or similar office of its Gross Sales within ninety (90) days after the close of each Lease Year and calculation of Percentage Rent, if any, due for such Lease Year. Tenant shall concurrently with the delivery of such statement, pay to Landlord any Percentage Rent due for such Lease Year.

The receipt by Landlord of any statement or any payment of Percentage Rent for any period shall not bind it as to the correctness of the statement or the Payment Landlord shall within three years after the receipt of any such statement be entitled to an audit of such Gross Sales. Such audit shall be limited to the determination of the Gross Sales as defined in this Lease and shall be conducted during normal business hours at the principal place of business of Tenant. If it is determined as a result of such audit that there has been a deficiency in the payment of Percentage Rent, then such deficiency shall become immediately due any payable with interest at the annual rate of 18% from the date when said payment should have been made until paid. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes hereof. If such audit shall disclose that Tenant has understated the Gross Sales for such Lease Year by more than three (3%) and Landlord is entitled to any additional Annual Percentage Rent, Tenant shall pay to Landlord all of Landlord's reasonable cost of such audit.

4.03 Rent Payments. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. All payments shall be made by Tenant to Landlord without notice or demand.

4.04 Place for Payment of Rent. The Annual Rent and any other charges required to be paid by Tenant to Landlord shall be sent to Landlord at its principal place of business, or such other address as Landlord may direct in writing.

4.05 Late Payment of Rent. In the event that any monthly installment of rent is not paid within ten (10) days after first written notice from Landlord that such payment is past due, Tenant shall pay Landlord interest on such unpaid rent at the rate of eighteen percent (18%) per annum computed from the date such rent installment was due until the date actually paid.

ARTICLE V

TAXES, ASSESSMENTS AND UTILITIES

5.01 Impositions.

A) The term "Impositions" shall mean all real estate taxes, duties or assessments (special or otherwise), water and sewer rents, whether ordinary or extraordinary, general or special, foreseen or unforeseen, of any kind and nature whatsoever, which, at any time during the Lease Term, shall be assessed or levied, or be attributable in any manner to the Entire Premises, or the rents receivable therefrom, or any part thereof or any use therein or any facility located therein or used in connection therewith, whether or not any of the foregoing shall be a so-called "real estate tax" expressly excluding, however, any other items arising directly or indirectly out of any act or omission of Landlord, any of Landlord's predecessors in title or any other person occurring prior to the commencement of the Term. From and after the Initial Rent Due Date, Tenant shall pay all Impositions assessed, levied or attributable to the Entire Premises and/or the Improvements on the Entire Premises. All Impositions or installments thereof payable with respect to the tax year in which this Lease shall commence, and all Impositions or installments thereof with respect to the tax year in which this Lease shall terminate, shall be pro-rated on a daily basis; provided, however, that assessments or escape assessments assessed as a result of this Lease and/or the construction of Tenant Improvements by Tenant shall not be prorated and shall be paid solely by Tenant; and provided further that assessments attributable to Tenant Improvements made in the final year of the Lease shall be paid solely by Tenant if Tenant demolishes the Tenant Building.

B) With respect to Impositions which are assessed on any Buildings exclusive of the Entire Premises, Tenant shall pay all such impositions. With respect to Impositions which by law may be paid in installments over a period of time, Tenant shall be deemed to have elected (the "Installment Election") to pay such Impositions over the longest period of time permitted by law, regardless of whether Tenant has in fact so elected. With respect to each year in which the Installment Election is effective and with respect to the Impositions associated with Landlord's Buildings subject to the Installment Election, Landlord's share of such Imposition(s) for each year shall be the pro rata share of the amount which would be required to be paid to the collecting authority as if Tenant had in fact made the Installment Election. Landlord shall pay all such real property taxes to the Tenant prior to delinquency. In the event Tenant fails to pay to Landlord such real property taxes as provided herein, Landlord shall pay Tenant in addition interest thereon at the rate of 18% per annum from the delinquency date until such payment has been made.

5.02 Exceptions from Impositions; Charges in Lieu of Impositions.

A) Nothing herein contained shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer, or income tax of Landlord, nor shall any of the same be deemed to be included within the term "Impositions" as defined herein.

B) Notwithstanding any other provision of this Article V, if at any time after the date of this Lease the present method of taxation or assessment shall be changed so that in lieu of, as a substitute for (whether in whole or in part) or as a supplement to (provided such supplemental tax relate to real estate or revenues from real estate and not to other property or business as well) the taxes now levied, assessed or imposed on real estate and buildings and Improvements thereon, a tax shall be imposed, assessed or levied wholly or partly on the Rent, or a tax, assessment, levy or charge, measured or based, in whole or in part, on the Entire Premises or on the rents derived therefrom, shall be imposed on Landlord, then Tenant shall pay taxes so measured or based only to the extent that such taxes would be payable if the Entire Premises were the only property of Landlord subject to such taxes, or the income from operation of the Entire Premises were Landlord's only income, as the case may be. In the event of such assessment, Landlord would pay Tenant any such assessment related to any Buildings other than the Lease Premise located on the Entire Premises.

5.04 Contest of Taxes. Tenant at its sole cost and expense may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefore, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant. Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Landlord shall cooperate with, any effort pursued by Tenant in accordance with this Section 5.04. Tenant shall indemnify, protect and hold harmless Landlord and this Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. Landlord shall provide Tenant with copies of notice when received by Landlord from the taxing authorities of any assessments or reassessments of the Premises in sufficient time (but in no event later than thirty (30) days after Landlord's receipt of the same) to enable Tenant to contest the same in accordance with the provisions of this Section 5.04.

5.05 Utilities. Tenant shall pay before delinquency, directly to the appropriate company or governmental agency, all charges for all utilities, including, but not limited to, water, gas, electricity, sewer, power, telephone, other communication services and refuse disposal consumed on the Entire Premises including the Common Area but exclusive of Landlord's buildings.

5.06 Personal Property Taxes. During the term of this Lease, Tenant shall pay before delinquency any and all personal property taxes levied or assessed against any personal property located upon the Premises. If Tenant fails to timely pay such taxes and a lien is filed against the Premises, Landlord may discharge such lien, if Tenant fails to discharge such lien within ten (10) days following Tenant's receipt of notice from Landlord, including intort limitation reasonable attorneys' fees, together with interest at the rate of eighteen percent (18%) per annum from the date of expenditure, such additional rent being due and payable within ten (10) days of notice thereof.

ARTICLE VI

INSURANCE

6.01 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense procure and maintain, or cause to be procured and maintained, during the entire Term the insurance described in this Section (or its then available equivalent), and shall name Landlord and any other parties requested by Landlord as an additional insured.

6.02 Types of Required Insurance. Tenant shall procure and maintain the following:

A) Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Entire Premises (exclusive of the interior of Landlord's Buildings), Leased Premises, Common Area and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability no less than Ten Million Dollars (\$10,000,000) per occurrence and in the aggregate.

B) Physical Property Damage Insurance. During the term hereof, Tenant shall Keep Tenant's Building (excluding foundations, footings and underground improvements) and personal property as well as all Improvements on the Common area, (Landlord's Buildings excluded), including, but not limited to, signs, outdoor lighting fixtures and fences insured in the name of Landlord and Tenant against damage or destruction by fire and the perils commonly covered under the extended coverage endorsement (with vandalism and malicious mischief coverage) excluding earthquake and flood, but including Builders Risk, to the extent of not less than the full replacement value thereof less any deductible applicable to all of Tenant's theatres insured under a blanket policy. Tenant shall be responsible for determining the amount of fire and extended coverage insurance to be maintained subject to Landlord's consent, which consent is not to be unreasonably withheld or delayed. The proceeds of such insurance in case of loss or damage shall be held in trust and applied on account of the obligation of Tenant to repair and/or rebuild the Leased Premises pursuant to the Article captioned "Damage Clause" to the extent that such proceeds are required for such purpose. The insurance required to be carried by Tenant under this paragraph may be covered under a so-called "blanket" policy covering other operations of Tenant and its affiliates. Tenant shall name Landlord and any parties requested by Landlord and any holder of a mortgage on Tenant's Building pursuant to a standard mortgage clause with respect to the foregoing hazard insurance, provided such holder agrees with Landlord in writing to disburse such insurance proceeds to Landlord for, and periodically during the course of, repair and restoration of Tenant's Building as set forth in this Lease.

6.03 Terms of Insurance. The policies required under Section 6.02 shall name Landlord as additional insured. Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 6.02 shall:

- A) Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.
- B) Contain an endorsement providing that the amount of coverage will not be reduced with respect to landlord except after thirty (30) days prior written notice from insurance company to Landlord and such coverage may not be canceled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord.
- C) Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.
- D) Be written by insurance companies having a Bests rating of "A-" or better, and such insurance companies shall be reasonably acceptable to Landlord.

6.04 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall pay to Landlord upon demand the full amount so paid and expended by Landlord. Any policies of insurance obtained by Landlord covering physical damage to the Premises shall contain a waiver of subrogation against Tenant if and to the extent such waiver is obtainable and if Tenant pays to Landlord on demand the additional costs, if any, incurred in obtaining such waiver.

6.05 Insurance Money and Other Funds Held in Trust. All insurance money or condemnation proceeds as provided in Article XIV, received by the Tenant shall be turned over to Landlord and held in trust by Landlord and, except as provided otherwise in Section 6.06, shall be applied as follows:

First, to any Leasehold Mortgage as required under the terms of its Leasehold Mortgage provided that such Mortgage was of record and secured a loan made or committed to Landlord in compliance with all of the terms and conditions of this Lease prior to the occurrence of such loss; second, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Premises as required as provided in Section 6.06 hereof; and third, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall be disposed of as provided in Section 6.06. Any of said funds in the hands of the Tenant or Landlord at the end of the Term hereof shall be disposed of as set forth in Section 6.06 (A).

6.06 Application or Proceeds of Physical Damage Insurance. In case of any insurance policies as described in Section 6.02 (B) (Physical Property Damage Insurance) the application of insurance proceeds from damage or loss to property shall be determined in part in accordance with Article XVII hereof and, in the event of any such repair, replacement, restoration or rebuilding, the Landlord shall disburse the proceeds of the insurance collected to Tenant to pay the cost of such work upon certificate of satisfactory progress and/or completion in form satisfactory to Landlord by the licensed architect or engineer in charge of the work. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance proceeds received by the Landlord or Tenant with respect to the damage or destruction involved, and not used, shall remain the property of Landlord.

A) Distribution of Unutilized Proceeds. At the termination of this Lease, such insurance proceeds or condemnation awards received and held by the Landlord and not used for repair, replacement or reconstruction ("Available Proceeds"), shall be disposed as follows:

(1) First, Landlord shall be awarded an amount sufficient to remove any improvements not repaired and to return the Property to the level of adjacent streets ("grade level"); and

(2) Second, any remainder shall be paid to Landlord.

6.07 Cooperation for Insurance Proceeds. Landlord and Tenant shall each cooperate with the other in order to obtain, the largest possible recovery and execute any and all consents and other instruments and take all other actions reasonably necessary or desirable to effectuate the same and cause such proceeds to be paid as hereinbefore provided. Notwithstanding anything to the contrary contained in this Lease, neither party shall carry any insurance concurrent in coverage and contributing in the event of loss with any insurance required to be furnished by the other hereunder if the effect of separate insurance would be to reduce the protection or the payment to be made under such party's insurance or under the insurance required to be furnished by the other.

6.08 Waiver of Right of Recovery. Landlord and Tenant hereby release each other from any and all liability and responsibility to one another and, to the extent legally possible to do so on behalf of their respective insurers and anyone claiming through or under either of them, by way of subrogation or otherwise, hereby waive any liability for any and all loss or damage which is of the type covered by fire and extended coverage insurance described in this Article,

irrespective of any negligence on the part of the other party which may have contributed to or caused such loss. Every insurance policy carried by either party with respect to the Premises or Tenant's Building or land or improvements adjoining the Premises owned or leased by Landlord shall (if it can be so written and does not result in a material additional premium) include provisions denying to the insurer subrogation rights against the other party and any fee or leasehold mortgage to the extent such rights have been waived by the insured prior to the occurrence of damage or loss. If the waiver of subrogation otherwise is not effective, each party covenants that it will obtain for the benefit of the other party an express waiver of any right of subrogation which the insurer of Such party may acquire against the other party by virtue of the payment of any such loss covered by such insurance. In the event either party is by law, statute, governmental regulation, economically unfeasible or other factor beyond such party's reasonable control unable to obtain a waiver of the right of subrogation for the benefit of the other party, then, during any period of time when such waiver is unobtainable, said party shall be deemed not to have released any subrogated claim of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have released the party who has been unable to obtain such waiver from any claims they or their insurance carriers may assert which otherwise would have been released pursuant to this Section. In the event that either party is unable to obtain such waiver of the right of subrogation for the benefit of the other party, such party shall, within thirty (30) days of receiving notice of such inability, give the other party written notice of such inability.

ARTICLE VII

MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Alterations — Changes.

A) At any time and from time to time during the Lease Term, Tenant may, at its sole expense, make any alterations, additions or changes, whether structural or nonstructural, to any portion or all of any Improvements which may exist at any time and from time to time on any portion of the Premises, and may, at its option, construct new Improvements on the Premises, or remove or demolish Improvements on the Premises, provided that all such alterations or changes in Improvements and new Improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If the change, alteration or addition is structural or exterior in nature Landlord's written approval shall be first obtained.

B) Tenant shall at all times keep the Premises or any part thereof, free and clear of all liens and claims for labor or material and free and clear of all attachments, executions and notices.

(C) Upon termination of this Lease, Tenant may not remove an personal property and trade fixtures including, but not limited to theatre seats, projection and sound equipment, snack bar equipment and computers.

7.02 Repairs — Maintenance. Tenant shall, at its sole cost and expense, maintain the Entire Premises which shall include the Common Area, driveways, parking, landscaping, signs, fences, lighting and any and all improvements (exclusive of Landlord's Buildings) in first class condition and make such structural and non-structural, ordinary and extraordinary, foreseen and unforeseen repairs such that the Entire Premises (exclusive of Landlord's Buildings) shall not be in violation of any law or covenant recorded as of the Effective Date.

ARTICLE VIII

ENVIRONMENTAL MATTERS

8.01 Definition. For purposes of this Article VIII, the term "Hazardous Material" means (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section, 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation

and Recovery Act, 42 U.S.C. Section 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Water Act, 33 U.S.C. Section 1251, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100, et seq.; the California Hazardous Substance Account Act, Health and Safety Code Section 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5, et seq.; California Health and Safety Code Section 25280, et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1, et seq.; California Health and Safety Code Section 25501, et seq. (Hazardous Materials Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000, et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos; (e) subsurface gas; (f) urea formaldehyde foam insulation; (g) poly chlorinated biphenyls ("PCBs"); and freon and other chlorofluorocarbons.

8.02 Tenant's Responsibilities and Landlord Indemnity.

A) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Tenant, its agents, employees, contractors or invitees, in violation of any law. Upon the expiration or sooner termination of this Lease, Tenant covenants to remove from the Premises, and/or Entire Premises at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are brought upon, stored, used, generated or released into the environment at or above actionable levels by Tenant, its agents, employees, contractors or invitees. To the fullest extent permitted by law, Tenant hereby indemnifies and defends (with counsel experienced and competent in litigating issues of Hazardous Materials) Landlord and agrees to hold Landlord, the Premises and the Entire Premises free and harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise directly or indirectly from the presence of actionable levels of Hazardous Materials on, in or about the Premises which is through Tenant's (or its agents, employees, contractors or invitees) acts or omissions brought upon, stored, used, generated or released into the environment by Tenant, its agents, employees, contractors or invitees (referred to as "Tenant's Environmental Acts"). This indemnification by Tenant of Landlord includes, without limitation, any and all costs incurred in connection with any investigation of site conditions or any clean up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of such Hazardous Materials in, on or about the Premises, or the soil or ground water on or under the Premises or any portion thereof due to Tenant's Environmental Acts. Tenant shall promptly notify Landlord of any release of Hazardous Materials in the Premises, which Tenant becomes aware of during the term of this Lease, caused by Tenant's Environmental Acts. Landlord agrees to indemnify, defend and hold Tenant harmless from all claims, judgments, damages, penalties, fines, costs, resulting from the presence of Hazardous Materials on or about the Premises, (i) on the Commencement Date of this Lease, and/or (ii) during or after the term of this Lease, if the presence of Hazardous Materials results from any cause other than Tenant's Environmental Acts.

B) . Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon Tenant: reports filed pursuant to any self-reporting requirements, reports filed pursuant to any applicable laws or this Lease, all permit applications, permits, monitoring reports, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (excluding those which may be reasonably characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, underground storage tanks or Hazardous Materials.

C) In addition to Tenant's routine reporting obligations described in (B) above, Tenant shall promptly notify Landlord of, and shall promptly provide Landlord with true, correct, complete and legible copies of, all of the following environmental items relating to the Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Tenant: all orders, reports, listings and correspondence (excluding those which may be reasonably considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Tenant related to Tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Premises, Tenant shall promptly notify Landlord and provide Landlord with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

D) Landlord, at Tenant's sole cost and expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims or causes of action arising out of the storage, generation, use or disposal by Tenant, its agents, employees, contractors or invitees, of Hazardous Materials in, on, under or about the Premises caused by Tenant's Environmental Acts which results in (i) injury to any person, (ii) injury to or any contamination of the Premises or (iii) injury to or contamination of any real or personal property wherever situated. Tenant, at its sole cost and expense, shall promptly take all actions necessary to return the Premises to the conditions existing prior to the introduction of such Hazardous Materials to the Premises and to remedy or repair any such injury or contamination. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld or denied or conditioned or delayed, take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises or enter into any settlement agreement, consent decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided, however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials in, on, under or about the Premises (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action.

8.03 Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work ("Remedial Work") is required (a) under any applicable federal, State or local law or regulation, (b) by any judicial, arbitral or administrative order, (c) to comply with any agreements affecting the Premises or (d) to maintain the Premises in a standard of environmental condition which presents no risk to safety or health, prevents the release of any hazardous materials to adjacent property and otherwise is consistent with the prudent ownership of property of the character of the Premises and/or Tenant's Building and if such Remedial Work is required as a direct result of Tenant's Environmental Acts, then Tenant at Tenant's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work; and if such Remedial Work is required for any reason other than Tenant's Environmental Acts, then, Landlord, at Landlord's sole cost and expense, including without limitation, any taxes or penalties assessed in connection with the Remedial Work, shall perform or cause to be performed such Remedial Work. All Remedial Work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, denied, conditioned or delayed. In addition, the party doing the Remedial Work shall submit to the other party, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by such party in connection with any Remedial Work or Hazardous Materials relating to the Premises. In the event the party responsible therefor should fail to

commence or cause to be commenced in a timely fashion, or fail diligently to prosecute to completion, such Remedial Work, the other party (following written notice) may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith (i) in the case when Tenant is the responsible party, shall be paid as additional rent due and payable within thirty (30) days of Landlord's invoice therefor, or (ii) in the case where Landlord is the responsible party, shall be paid by Landlord to Tenant within thirty (30) days of Tenant's invoice therefor, and if not timely paid by Landlord, in addition to all other rights and remedies, Tenant shall have the right of offset against rent which may become due. Neither party shall be obligated to perform Remedial Work under this Section while it is contesting the application of any law, regulation or order, provided the other party is not exposed to any additional liability, risk or damages. Obligations under this Section are solely for the benefit of the parties, their successors, and assigns and any subtenants of this Lease, and not for any Other third parties.

8.04 Maintenance of Premises.

A) Subject to Tenant's obligation under Section 8.02(A), Tenant at its sole cost and expense shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, statutes, ordinances, orders, guidelines, rules or regulations relating to health and safety, to industrial hygiene or to environmental conditions on, under or about the Premises, including, but not limited to, air, soil and ground water conditions.

B) Tenant shall be liable and responsible for any Hazardous Materials which Tenant causes to be brought onto the Premises.

8.05 Landlord's Responsibilities and Tenant's Indemnity.

A) Landlord shall not, without prior advance notice to Tenant, cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released into the environment or disposed of, on, in, under or about the Entire Premises, the Common Area, or any other portion of the Premises by Landlord, its agents, employees, tenants, contractors or invitees, in violation of any law.

B) Landlord shall promptly notify Tenant of, and shall promptly provide Tenant with true, correct, complete and legible copies of, all of the following environmental items relating to the Entire Premises which may be filed or prepared by or on behalf of, or delivered to or served upon, Landlord: all orders, reports, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation of, compliance, clean up, remedial and corrective actions, and abatement of Hazardous Materials whether or not required by any applicable laws, including, but not limited to, reports and notices required by any applicable laws, including, but not limited to, reports and notices required by or given pursuant to any applicable laws, and all complaints, pleading and other legal documents filed against Landlord related to Landlord's or Landlord's other tenant's use, handling, storage or disposal of Hazardous Materials. In the event of a release of any Hazardous Materials in, on or about the Entire Premises, Landlord shall promptly notify Tenant and provide Tenant with copies of all reports and correspondence with or from all governmental agencies, authorities or any other persons relating to such release.

C) Except for the obligations of Tenant as set forth in this Article VIII, Landlord shall exonerate, indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Tenant) and save Tenant and Tenant's successors and assigns, and their directors, trustees, beneficiaries, officers, shareholders, employees and agents (collectively, Tenant's "Related Parties"), harmless from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, taxes, assessments, liabilities (including sums paid in settlement of claims), interest or losses, including reasonable attorneys' fees and expenses (including any such fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements at, on, about, under or within the Premises, or any portion thereof,

or elsewhere in connection with the transportation of Hazardous Materials to or from the Premises or the Entire Premises. In the event Tenant or any of its Related Parties shall suffer or incur any such Costs, Landlord shall pay to Tenant or such Related Party the total of all such Costs suffered or incurred by Tenant or such Related party upon demand therefor. Without limiting the generality of the foregoing, the indemnification provided by this Section 8.05 shall specifically cover Costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal or restoration work required or performed by any federal, state or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, groundwater, surface water or improvements, at, on, about, under or within the Premises (or any portion thereof), or elsewhere in connection with the transportation of, Hazardous Materials to or from the Premises and any claims of third parties for loss or damage due to such Hazardous Materials.

8.06 Landlord Inspection. Landlord and Landlord's agents and employees shall have the right, but not the obligation, to inspect, investigate, sample and/or monitor the Premises, including any soil, water, ground water or other sampling, and any other testing, digging, drilling or analyses, at any time to determine whether Tenant is complying with the terms of this Article VIII, and in connection therewith, Tenant shall provide Landlord with full access to all relevant facilities, records and personnel. If Tenant is in default with any of the provisions of this Article VIII. Landlord and Landlord's agents and employees shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises and to discharge Tenant's obligations under this Article VIII at Tenant's expense, notwithstanding any other provisions of this Lease. Landlord and Landlord's agents and employees shall endeavor to minimize interference with Tenant's business. All sums reasonably disbursed, deposited or incurred by Landlord in connection therewith, including, but not limited to, all costs, expenses and actual attorneys' fees, shall be due and payable by Tenant to Landlord, as an item of additional rent, on demand by Landlord, together with interest thereon at the rate of ten percent (10%) per annum.

8.07 Effect of Termination.

A) Upon termination of this Lease, Tenant shall advise Landlord in writing whether or not, to the best of Tenant's knowledge. Tenant is in default of any provision of this Article VIII and if it is in default, the specific nature of such default.

B) All liabilities of Landlord and Tenant, respectively, under this Article VIII, accrued as of the date this Lease terminates, shall survive such termination.

ARTICLE IX

IMPROVEMENTS

9.01 Tenant's Signs.

(A) Except for signs located on the Premises at the commencement date of this lease or signs which are located wholly within the interior of the premises and which are not visible from the exterior of the premises, no signs shall be placed, erected, maintained or painted at any place upon the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. All such signs shall be maintained at Tenant's sole expense.

(B) Landlord hereby agrees that Tenant shall have the right to maintain the following signs (at Tenant's sole expense);

(1) Illuminated signs on the exterior walls of Tenant's Building and on the theatre canopy or marquee.

(2) Signs on the interior or exterior of any windows of Tenant's Building.

(3) Easel or placard signs within the lobby entrance or on sidewalks immediately in front of Tenant's Building, provided the same do not unreasonably interfere with pedestrian traffic.

9.02 Hold Harmless. Except to the extent attributable to the intentional or negligent acts or omissions of Landlord or Landlord's agents, employees, contractors, tenants, or invitees, Tenant shall indemnify, protect, defend and hold harmless Landlord and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the Improvements or repairs made at any time to the Premises including repairs, restoration and rebuilding and all other activities of Tenant on or with respect to the Premises. If Tenant is required to defend any action or proceeding pursuant to this Section to which action or proceeding Landlord is made a party, Landlord shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Landlord is indemnified under this Section, Tenant shall bear the cost of Landlord's defense, including attorney's fees; provided, however, Tenant shall be liable for attorney's fees only if single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and Tenant without there arising an actual or potential conflict of interests.

9.03 Permits: Compliance With Codes. All building permits and other permits, licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent improvements, repairs, replacements or renewals to the Premises shall be acquired as required by applicable laws, ordinances or regulations. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction. Tenant shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

9.04 Ownership.

A) During the Term of this Lease (including any renewals or extensions), the Improvements erected, constructed or located within the Premises, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be and remain the property of Tenant. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein including moveable trade fixtures and personal property of shall become the property of landlord.

B) During the term of this lease, Tenant shall have the right to replace any of the trade fixtures, theatres seats, projection equipment, furniture, other equipment and personal property from time to time; provided, however, that such replacement fixtures, equipment or property are of equal or better quality than the property being replaced. Further no such installation or removal thereof shall affect the structural portion of the Premises and that Tenant shall repair and restore any damage or injury to the Premises or the Property caused thereby. Any such replacement equipment, furniture or fixtures shall become the property of the Landlord at the termination of this lease.

9.05 Control. Notwithstanding anything to the contrary in this Lease, during the Term of this Lease Tenant shall have exclusive control and possession of the Premises.

ARTICLE X

INDEMNITY

10.01 Indemnification. Except to the extent attributable to the intentional and gross negligent acts or omissions of Landlord and its agents, employees, tenants, licensees and contractors, Tenant shall indemnify, pay and protect, defend and hold harmless (with counsel reasonably approved by Landlord) and save Landlord (and its successor, assigns and any successor fee owners of the Premises), and all of their directors, officers, employees and agents, hereinafter referred to as

"Landlord Indemnities", from and against any claims, demand, damages, injuries, costs, expenses, losses, liabilities, causes of action, interest, fines, charges and penalties (including reasonable legal fees and expenses in enforcing this indemnity and hold harmless), or liability in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises from whatever cause, in any way connected directly or indirectly and arising out of or attributable in any way connected with Tenant's use or possession of the Premises, including any liability for injury, death, loss or damage to Tenant, or its agents, contractors, employees, customers, visitors and persons with whom they deal. The provisions of this paragraph shall survive the termination of this lease.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.01 Assignment and Subletting.

A) Tenant may assign the Lease and may sublease a portion or all of the Premises, subject to Landlord's approval which shall not be unreasonably withheld, provided Tenant remains liable for all Tenant obligations under this Lease, and any sublease shall be subject to all the provisions of this Lease.

B) Any assignment of this lease or any sublease of a portion or all of the Premises shall be subject to the terms and conditions of this Lease.

C) Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may without landlord's consent, sublet the Leased Premises or assign this Lease (a) to any corporation which may, as the result of a reorganization, merger, consolidation, or sale of assets succeed to the business now carried on by Tenant, or (b) to any subsidiary or affiliate corporation of Tenant or of Tenant's parent corporation ("Parent Corporation") (so long as such corporation remains a subsidiary or affiliate of Tenant or of Tenants Parent Corporation), or (c) to Tenant's Parent Corporation, or (d) to any corporation which acquires 50% or more of the issued and outstanding voting stock (or such lesser percentage as shall be sufficient to acquire voting control) of Tenant or of Tenant's Parent Corporation, or (e) to any corporation which operates motion picture theatres and has a book net worth of not less than \$30,000,000.00 as of the end of the calendar month during which any such assignment or subletting becomes effective and to any subsidiary or affiliate of such corporation, provided that such corporation duly and validly then guarantees the performance of the obligations of such subsidiary or affiliate under this Lease.

11.02 Notice to Landlord. Tenant shall give notice to Landlord of any assignment of the Lease or sublease of the Premises within ten (10) days after such event.

ARTICLE XII

ENCUMBRANCE OF LEASEHOLD ESTATE

12.01 Leasehold Mortgages.

A) Tenant may not take back a Purchase Money Leasehold Mortgage of the Leasehold Estate or otherwise encumber Tenant's Leasehold Estate or assign this Lease as security for a Mortgage or Mortgage.

B) Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting Landlord's fee interest in the Land or Landlord's interest in this Lease.

ARTICLE XIII

MORTGAGE SUBORDINATION

13.01 Existing Mortgages. If there is a mortgage or deed of trust ("Mortgage") lien affecting the interest of Landlord in the Premises, then Landlord shall obtain and shall deliver to Tenant within fifteen (15) days after the Effective Date, a non-disturbance and attornment agreement in a form reasonably acceptable to such lender, Landlord and Tenant, executed by the Mortgagee (as defined below), wherein the Mortgagee shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any judicial foreclosure, private sale or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction.

13.02 Future Mortgages. The rights of Tenant under this Lease shall be, at the option of Landlord, either subordinate or superior to any future mortgage on Landlord's interest in the Premises in favor of an institutional lender not affiliated with Landlord. Provided however, that as a condition to any subordination of this Lease, the mortgagees or beneficiaries of any deed of trust and their successors and assigns (the "Mortgagee") shall agree to recognize the interest of Tenant and abide by the terms of this Lease in the event of any foreclosure or deed in lieu of foreclosure, including the right to quiet enjoyment of the Premises, without any condition, limitation or restriction. As a further condition of such subordination, Landlord, Tenant and the Mortgagee shall enter into a non-disturbance and attornment agreement in a form reasonably acceptable to all parties executing such instrument.

ARTICLE XIV

CONDEMNATION — EMINENT DOMAIN

14.01 Definitions. The following definitions apply in construing provisions of this Lease relating to a taking of or damage to all or any part of the Entire Premises or Improvements or Parking of any interest in them by eminent domain or inverse condemnation:

A) "Taking" means that taking or damaging, including severance damage, by eminent domain or by inverse condemnation for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The Taking shall be considered to take place as of the date on which the right to compensation and damages accrues under the law applicable to the Premises, unless the condemnor also takes actual physical possession of the Premises or a part thereof, in which case the date of Taking for the purposes of this Lease shall be the later of the date on which the right to compensation and damages accrues or the date physical possession is taken by the condemnor.

B) "Total Taking" means the Taking of the fee title to all the Premises and the Improvements on the Premises, which shall be considered to include any offsite improvements effected by Tenant to serve the Premises or the improvements or the parking on the Premises.

C) "Partial Taking" means any Taking (including any damaging) of a portion of the Premises, the Common Area, or any Improvements or parking thereon which is not a Total Taking.

D) "Notice of Intended Taking" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of Taking as distinguished from a mere preliminary inquiry or proposal. It includes, but is not limited to, the service of a condemnation summons and complaint on a party to this Lease. The notice is considered to have been received when a party to this Lease receives from the condemning agency or entity a Notice of Intended Taking, in writing, containing a description or map of the Taking reasonably defining the extent of the Taking.

E) "Award" means compensation paid for the Taking, whether pursuant to judgment or by agreement or otherwise.

14.02 Notice to Other Party. The party hereto receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents, and date of the notice received:

- A) Notice of Intended Taking,
- B) Service of any legal process relating to condemnation of the Premises or improvements;
- C) Notice in connection with any proceedings or negotiations with respect to such a condemnation; or
- D) Notice of intent or willingness to make or negotiate a private purchase, sale or transfer in lieu of condemnation

14.03 Total Taking — Effect on Rent and Term. On a Total Taking, Tenant's obligation to pay Rent shall terminate on, and Tenant's interest in the leasehold shall continue until, the date of Taking, at which time this Lease shall terminate.

14.04 Distribution of Award for Taking. On a Taking, all sums, including, but not limited to, damages and interest awarded for the value of the real estate taken, shall be apportioned and paid by the governmental body taking the Premises as follows:

- A) To Landlord, the amount awarded, if any, for the Fair Market Value of all buildings and other improvements on the Premises;
- B) To Landlord, the amount awarded, if any, for severance damages
- C) To Landlord, the amount awarded, if any, for the "bonus value" of this lease hold estate. The bonus value is the amount by which the fair market rental value on the open market exceeds the contract rent (the amount called for in this Lease);
- D) To Tenant, the amount awarded, if any, for loss of goodwill and relocation expenses;
- E) To Landlord, any other award which will not reduce the amount which otherwise would be awarded to Tenant; and
- F) To Landlord, any balance.

Tenant shall only be entitled to payments under this Section 14.04 out of amounts awarded by the governmental body taking the Premises.

14.05 Partial Taking — Rent Adjustments. On a Partial Taking, the Lease shall remain in full force and effect covering the remaining Premises, except that the total Rent as otherwise provided herein shall be reduced in the same ratio as the percentage of the area of the Premises taken bears to the total area of the Premises.

14.06 Partial Taking — Option to Terminate. Notwithstanding anything herein to the contrary, in the event of a Partial Taking, if more than thirty percent (30%) of the Building or fifty (50%) of the parking is taken by a *condemnation* or sold under the threat of condemnation, then Tenant may terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by delivering written notice to the other within ten (10) days after receipt

of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession).

14.07 Separate Tenant's Award In the event of a Taking, Tenant may make a separate claim with respect to lost business, lost profits, goodwill, moving expenses and other related damages against the acquiring governmental Agency.

ARTICLE XV

DEFAULT

15.01 Tenant's Default. The occurrence of any of the following shall constitute a default or event of default by Tenant:

A) Failure to pay Annual Rent or any other monetary amount when due as provided herein, if the failure continues for ten (10) days after first written notice has been given to Tenant by Landlord;

B) Failure to perform any of Tenant's non-monetary obligations under this Lease, provided however, Tenant shall have thirty (30) days from receipt of written notice by Landlord to cure each such default. If Tenant cannot reasonably cure such default within said thirty (30) day period, Tenant shall not be in default of this Lease if Tenant commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the breach.

C) Tenant shall file a petition in voluntary bankruptcy under the bankruptcy code of the United States or any similar Law, State or Federal Law, now or hereafter in effect.

15.02 Landlord's Remedies Cumulative. Landlord shall have the following remedies set forth in, subsections (A) through (G) below if Tenant commits a default, except as provided in Section 15.03. These remedies are not exclusive and may be exercised concurrently or successively; they are cumulative in addition to any remedies now or later allowed by law or equity:

A) Bring Suit for Performance. Landlord may bring suit for the collection of the Rent or other amounts for which Tenant is then in default, or for the performance of any other covenant or agreement devolving upon Tenant, all without having to enter into possession or terminate this Lease;

B) Re-Entry Without Termination. Pursuant to California Civil Code Section 1.954.4, Landlord may re-enter the Premises, by legal proceedings (or without legal proceedings if the Premises have been abandoned), and take possession thereof, without thereby terminating this Lease, and thereupon Landlord may expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and relet the Premises or a portion or portions thereof, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the reasonable cost of such reletting, and then to the payment of the Rent and other amounts for which Tenant is then in default; the balance, if any, to be paid to Tenant, who, whether or not the Premises are relet, shall remain liable for any deficiency. It is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment, or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover possession of the Premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Landlord shall, in writing, expressly exercise its election to declare the Lease Term hereunder ended and to terminate this Lease, and unless this Lease be expressly terminated, such re-entry or entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the Lease Term. Notwithstanding anything to the contrary or other provisions of this Section 15.02(B), Tenant shall have the right to sublet the Premises, assign its interest: in the Lease, or both, subject to Landlord's prior right, during any continuance of Tenant's default, to relet the Premises or a portion or portions thereof.

C) Termination of Lease and Lessee's Right to Possession. No act by Landlord, other than giving Tenant written notice of termination of this Lease, shall in fact terminate the Lease. Upon termination of the Lease, neither Landlord nor Tenant shall have any future rights or obligations under the Lease except that Landlord shall have the right to recover from Tenant the following:

(1) The worth, at the time of the award, of the unpaid Rent that had been earned at the time of termination of this Lease;

(2) The worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

(3) The worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

(4) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform his obligations under the Lease or which, in the ordinary course of things, would be likely to result therefrom.

(5) For any other sums due.

D) Definitions. As used herein, the following phrases shall be interpreted as follows:

(1) "The worth, at the time of the award," as used in subsections 15.02(c)(1) and (2) above, is to be computed by allowing interest at the maximum lawful rate. "The worth, at the time of the award," as referred to in subsection 15.02(C)(3) above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

(2) As used herein, the term "time of award" shall mean either the date upon which Tenant pays to Landlord the amount recoverable by Landlord as hereinabove set forth or the date of entry of any determination, order, or judgment of any court or other legally constituted body determining the amount recoverable, whichever first occurs.

E) Surrender. Promptly after notice of termination, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession, of the Premises and all remaining improvements and eject all parties in possession or eject some and not others, or eject none. Termination under subsection 15.02(C) shall not relieve Tenant from the payment of any sum due to Landlord or from any claim for damages previously accrued or then accruing against Tenant.

F) Appointment of Receiver. If Tenant defaults under Section 15.02 Landlord shall have the right to have a receiver appointed to collect rent from any subtenants. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

G) Landlord's Right to Cure Tenant's Default. Landlord, at any time after Tenant is in default under Section 15.01 herein, may cure the default at Tenant's expense. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately reimbursed from Tenant to Landlord, together with interest at eighteen percent (18%) per annum computed from the date of such expenditure until the date of reimbursement by Tenant.

15.03 Landlord's Default.

A) The occurrence of the following shall constitute a default by Landlord: Breach of any provision of this Lease if the breach is not cured within thirty (30) days after written notice by Tenant; provided, however, that if the breach cannot reasonably be cured within such thirty (30) day period, Landlord shall not be in default of this Lease if Landlord commences to cure the breach within the thirty (30) day period and diligently and in good faith continues to cure the default.

B) Tenant, at any time after Landlord is in default under paragraph (A) above, may cure the default at Landlord's expense. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be immediately reimbursed by Landlord, together with interest at eighteen percent (18%) per annum determined at the time the expenditure is made by Tenant computed from the date of such expenditure until the date of reimbursement by Landlord. If Landlord fails to make such payment(s) within fifteen (15) days after Tenant's written demand, Tenant shall be entitled to offset any amount due from Landlord against the next Rent payment due under this Lease.

15.04 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being dispossessed or removed from the Premises upon the termination of this Lease because of default by Tenant hereunder.

15.05 Dispute Resolution. Landlord and Tenant desire by provisions of this Section 15.05 to establish procedures to facilitate the informal and inexpensive resolution of any dispute arising out of this Lease by mutual cooperation and without resort to litigation. To accomplish this objective, Landlord and Tenant agree to follow the procedures set forth below if and when a dispute arises between them under this Lease.

A) Description of Dispute. The complaining party shall provide by notice a written description of the alleged breach by the other party. This description shall explain the nature of the complaint and the Lease provision(s) on which it is based. The complaining party shall also set forth a proposed solution to the problem including a specific time frame within which the parties must act. The party receiving the letter of complaint must respond in writing within ten (10) days with an explanation, including references to the relevant parts of the Lease and a response to the proposed solution. Within ten (10) days of receipt of this response, the parties must meet and discuss options for resolving the dispute. The complaining party must initiate the scheduling of the resolution meeting.

B) Mediation. A settlement conference shall be held within thirty (30) days of the unsuccessful resolution meeting or as soon as practical thereafter. The settlement conference shall be held in the County of San Francisco, California.

C) Arbitration. With respect to disputes which the parties have been unable to resolve informally or by mediation, the parties agree to submit the dispute for final and binding arbitration if the dispute has not otherwise been settled. The parties agree that the arbitration must be initiated within one (1) year after the date of the written description of the alleged breach and that the failure to initiate arbitration within the one (1) year period constitutes an absolute bar to the initiation of any proceedings. An arbitration shall be deemed initiated for the purposes of this section by demand therefor being sent by certified mail to the other party which notice shall contain a description of the dispute, the amount involved and the remedies sought. The parties shall have the right to representation by counsel throughout the arbitration proceedings. All rulings, decisions, and awards of the arbitrators shall be in conformance with California law. The award may be judicially enforced pursuant to §1285 et seq of the California Code of Civil Procedure. Each party shall bear their own costs of legal counsel and the fees for witnesses, unless otherwise determined by the arbitrator as part of the award. The parties may establish the scope of discovery by agreement. If the parties cannot agree, the arbitrator will have discretion to define the limits of discovery and to allow discovery upon a showing of good cause, utilizing the following guidelines:

(1) The arbitrator shall balance the benefits of discovery against the burdens and expenses to the parties and the goals of arbitration as an alternative to traditional litigation.

(2) The arbitrator shall have discretion to order pre-hearing exchange of information, including but not limited to, the production of requested documents and exchanges of summaries of testimony of proposed witnesses.

(3) The deposition of the claimant(s) and respondent(s) and form sets of interrogatories approved by the Judicial Council shall be allowed as a matter of right. There shall be an early and prompt designation and exchange of the names and addresses of expert witnesses who may be called upon to testify at the arbitration hearing. Their depositions, special interrogatories, requests for admission and all other discovery shall be allowed only upon a showing of good cause.

15.06 Attorneys' Fees. Should any action or proceeding, be commenced between the parties to this Lease concerning said Premises, this Lease, or the rights and duties of either in relation thereto, the party, Landlord, or Tenant, prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted in the action or proceeding, to a reasonable sum as and for its attorneys' fees therein which shall be determined by the arbitrator(s) hearing such action or proceeding.

ARTICLE XVI

REPRESENTATIONS AND WARRANTIES

16.01 Landlord's Representations and Warranties. Landlord represents and warrants:

A) Landlord is the fee owner of the Premises.

B) The persons executing this Lease in behalf of Landlord are authorized to execute the same on behalf of Landlord and Landlord's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Landlord is a party.

C) To the best of Landlord's knowledge there is no claim, suit, demand or litigation, or administrative proceeding, or condemnation, eminent domain or similar proceeding pending or threatened with respect to the Premises or the Entire Premises, nor does Landlord know or have reasonable grounds to know of any basis for such action.

D) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises, subject to the terms of this Lease without hindrance or molestation from landlord or any person claiming by, from or under Landlord.

E) Landlord is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its liabilities exceed its assets

F) The title to the Premises and the Entire Premises is vested in Landlord, subject to no defects or encumbrances created by Landlord except as disclosed to Tenant in writing by Landlord prior to the Effective Date.

G) Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, after the date hereof, agree to or create or permit or suffer to be created any liens or encumbrances on the Premises which are (i) not specifically stated in writing to be junior to this Lease, or any New Lease (as defined herein), or (ii) which are inconsistent with the obligations of

Landlord hereunder, and Landlord shall, at or prior to the commencement of the Term, cause the Premises to be free of all liens and encumbrances.

16.02 Tenant's Representations and Warranties. Tenant represents and warrants:

- A) Tenant is a California corporation in good standing.
- B) The persons executing this Lease in behalf of Tenant are authorized to execute the same on behalf of Tenant and Tenant's obligations under this Lease are legally binding, do not require the consent of any other parties and do not violate the provisions of any agreement to which Tenant is a party.
- C) Tenant is not now insolvent either in the sense that it cannot pay its current bills as they come due or that its Liabilities exceed its assets.

ARTICLE XVII

DAMAGE OR DESTRUCTION

17.01 Repairs, Alterations and Further Improvements.

A) Tenant's Obligation to Repair. If the Premises or the improvements to the common Area are damaged by any peril after the Commencement date of the Lease, Tenant shall restore the Leased Premises or the Common Area improvements unless the Lease is terminated pursuant to Section 17.01 B. If this Lease is not so terminated, then upon receipt of the insurance proceeds by Landlord (if insurance proceeds are available) and the issuance of all necessary governmental permits, Tenant shall promptly commence and diligently prosecute to completion the restoration of the Leased Premises to the extent then allowed by Law, to substantially the same condition in which the Leased Premises or the Common Area improvements were immediately prior to such damage.

(B) Damage in Excess of Fifty Percent (50%). If the cost of repairing or reconstructing said damage or destruction to its former condition and form is in excess of Fifty percent (50%) and if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any governmental authority applicable thereto the Term shall end as of the date of such damage or destruction. If, however, such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with minor and non-material changes to the former condition and form of the property damaged or destroyed), Tenant shall effect such repair or restoration.

17.02 Prompt Repair. If Tenant, pursuant to the terms hereof, is obligated to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Tenant's cost and expense (which may be paid from insurance proceeds available as above provided) and Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Tenant after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

17.03 Rent Adjustment. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises except under and in accordance with the provisions hereinabove contained. If such damage or destruction occurs and renders all or a portion of the Improvements on the Premises untenantable, Rent shall not be abated Tenant shall not be entitled to any compensation or damages from Landlord for loss of Tenant's property or any inconvenience or annoyance caused by such restoration.

ARTICLE XVIII
MISCELLANEOUS

18.01 Limitation on Liability. The liability of Landlord hereunder or in connection with the Premises or Entire Premises shall be limited to its interest in the Premises and/or Entire Premises, as the case may be, and in no event shall any other assets of Landlord be subject to any claim arising out of or in connection with the Lease, Premises, or Entire Premises.

18.02 Modification. No modification, waiver, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

18.03 Severability. In the event any term, covenant, condition, provision, or agreement contained herein is held to be invalid, void, or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision, or agreement contained herein.

18.04 Governing Law. This Lease and the obligations of the parties hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of California and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

18.05 Terminology. All personal pronouns used in this Lease, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. "Business Day" means other than a Saturday, Sunday, or holiday. In the event that the time for performance of an act under this Lease fails on a Saturday, Sunday, or holiday, the date for performance of such act shall be extended to the next Business Day.

18.06 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original agreement, and all of which shall constitute one agreement by each of the parties hereto.

18.07 Binding Effect. Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

18.08 Captions. Article and section titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Lease or any provisions hereof. All reference to section numbers herein shall mean the sections of this Lease.

18.09 Notices to Landlord and Tenant.

A) Except as otherwise in this Lease provided, a bill, demand, statement, consent, notice or communication which Landlord may desire or be required to give to Tenant shall be deemed sufficiently given or rendered if in writing, delivered personally to Tenant or sent by certified (return receipt requested) or private express mail courier (postage fully prepaid) addressed to Tenant to the addresses set forth in Section 18.10 below or at such other address(es) as Tenant shall designate by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder by certified or private express mail carrier.

B) Any notice, request, demand or communication by Tenant to Landlord must be in writing and delivered personally to Landlord or sent by certified (return receipt requested) or private express courier (postage fully prepaid), addressed to Landlord to the addresses set forth in Section 18.10 below or at such other address(es) as Landlord shall designate by notice given as herein provided. If Tenant is notified of the identity and address of Landlord's mortgagee or beneficiary under a deed of trust, or ground or underlying lessor, Tenant shall give such party notice of any default by Landlord hereunder by certified or private express mail carrier.

C) The time of the rendition of such bills or statements and of the giving of such consents, notices, demands, requests or communications (collectively "notice") by Tenant or Landlord shall be deemed to be the earlier of (i) the date received by Tenant with respect to a notice to Tenant, and the date received by Landlord with respect to a notice to Landlord (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier (e.g., Federal Express or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice, request, demand, or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice, request or demand sent.

18.10 Addresses for Notices to Landlord and Tenant

Notices to are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises
150 Golden Gate Ave.
San Francisco, CA 94102
Attn: Real Estate Department

To Tenant: Century Theatres of California, Inc.
150 Golden Gate Avenue
San Francisco, CA 94102
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

18.11 Entire Agreement. This Lease and the exhibits attached set forth the entire agreement between the parties. Except as specifically set forth herein, there are no agreements, representations, or warranties whatsoever as to any matter. Any prior agreements, conversations, or writings are merged herein, superseded hereby, and extinguished.

18.12 Sale or Transfer of Premises. Landlord shall promptly notify Tenant in writing of any sale or transfer of the Premises or any assignment of Landlord's interest in this Lease, giving the name and address of the assignee or new owner, as the case may be, and instructions regarding the payment of rent or any other amount required to be paid by Tenant hereunder. In the event of any transfer or assignment of Landlord's interest in this Lease or any change in, or transfer of, title in and to the Premises of any part thereof, whether voluntary or involuntary, or by act of Landlord or by operation of law, Tenant shall be under no obligation to pay rent or other charges payable by Tenant to Landlord hereunder, thereafter accruing, until Tenant shall have been notified in writing of such transfer, assignment, or change in title, and given satisfactory proof thereof, and the withholding of rent or other charges payable by Tenant to Landlord hereunder, in the meantime shall not be deemed a default upon the part of Tenant Landlord may assign this Lease and convey its title to the Premises, subject to this Lease, at any time. In the event of such assignment of this Lease, Landlord shall have no further obligations under this Lease, except for liabilities which shall have accrued prior to the date of such assignment and transfer and that the assignee assumes in writing Landlord's obligations hereunder accruing on and after the effective date of the assignment.

18.13 Force Majeure. In the event that Tenant shall be delayed or hindered in or prevented from the performance of any act other than Tenant's obligation to make payments of rent, and other charges required hereunder, by reason of strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the default of Landlord, war, or other reason beyond its control, then performance of such act shall be excused for the period of the delay, and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond the control of Tenant.

18.14 Waiver. No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Landlord or Tenant, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The acceptance by Landlord of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by either party shall not be deemed to waive or render unnecessary that party's consent to or approval of any subsequent similar act.

18.15 Estoppel Certificate. Either party hereto shall, within twenty (20) days notice from the other party (referred to as the "Requesting Party"), execute and deliver to the Requesting Party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of current monthly rent, the dates to which the rent has been paid in advance, the amount of prepaid rent, and any other information with respect to this Lease reasonably requested by the Requesting Party. Failure to deliver the certificate within the twenty (20) days shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect, and has not been modified except as may be represented by the party requesting the certificate, and that rent and other charges have not been paid for any period after date of the notice requesting the certificate.

18.16 Number and Gender. Whenever the context requires the singular number, it shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18.17 No Holding Over. Tenant shall have no right to holdover after the end of the Term. Should Tenant or any Leasehold Mortgagee succeeding to the interest of Tenant hold over in possession after the expiration date, such holding over shall not be deemed to extend the Lease or renew this Lease; and Tenant shall pay a pro-rated daily amount equal to one hundred twenty percent (120%) of the Annual Rent in effect immediately preceding the expiration date until Tenant vacates the Premises.

18.18 Mechanics Liens. Tenant shall discharge, by payment, bonding or otherwise, any mechanics liens filed against the Premises or the Entire Premises in connection with Tenant's work and/or any alterations or other work done by or on behalf of Tenant in the Premises within thirty (30) days after Tenant receives notice of the filing of such lien, and Landlord shall cooperate with Tenant at no expense to Landlord, in order to accomplish such discharge. Should Tenant fail to so discharge any such mechanics lien, Landlord shall have the right to remove such mechanics liens and charge all costs thereof, including without limitation, reasonable attorneys' fees, to Tenant as additional rent plus interest at 18%.

18.19 Relationship of Parties. Nothing contained in this Lease shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Landlord and Tenant. Nothing contained herein shall in any way impose any liability upon the stockholders, officers or directors of Landlord or stockholders, officers, directors or trustees of Tenant should such parties be corporate entities.

18.20 Time of the Essence. Time is of the essence with respect to Tenant's payment of rent and other monetary obligations to Landlord under this Lease.

18.21 Facsimile Copies. Tenant and Landlord (i) have each agreed to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Lease, (ii) each intend to be bound by its respective telecopied signature, (iii) are each aware that the other will rely on the telecopied signature, and (iv) each acknowledge such reliance and waive any defenses to the enforcement of the documents effecting the transaction contemplated by this Lease based on a telecopied signature.

18.22 Anti-Merger. The voluntary or otherwise surrender of this Lease by Tenant, or a mutual cancellation of this Lease shall not work a merger but shall at the option of Landlord either.

A) Terminate any existing subleases or subtenancies; or

B) Operate as an assignment to Landlord (and assumption by Landlord) of any subleases or subtenancies.

Executed as of the date first written above.

TENANT:

CENTURY THEATRES OF CALIFORNIA, INC.,
a California Corporation

By: /s/ Joseph Syufy
Print Name: Joseph Syufy
Title: V. P.

LANDLORD:

SYUFY ENTERPRISES
a California Limited Partnership

By: /s/ Raymond W. Syufy
Print Name: Raymond W. Syufy
Title: G.P.

FIRST AMENDMENT TO LEASE

This First Amendment to Lease dated September 1, 2000 is executed by and between Syufy Enterprises, L.P. ("Landlord") and Century Theatres, Inc. ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Century Theatres of California, Inc. entered into a lease dated September 30, 1995 (the "Lease") for a motion picture theater building and related parking (the "Premises") located on Garfield Avenue in Citrus heights, California; and

WHEREAS, Century Theatres, Inc. a Delaware corporation, has succeeded Century Theatres of California, Inc., as Tenant; and

WHEREAS, Century Theatres, Inc. has assumed all obligations of Century Theatres of California, Inc., as set forth in the Lease; and

WHEREAS, the parties desire now to amend the Lease to revise and clarify certain obligations between the parties, as hereinafter provided;

NOW, THEREFORE, the parties hereto mutually agree that the Lease shall be amended as follows:

A. Consumer Price Index

The reference in the first grammatical paragraph of Section 4.01(B) of the Lease to the "San Francisco – Oakland – San Jose Average" is hereby deleted and in its place is inserted the "All West Average," and the following sentence shall be added to this first grammatical paragraph of Section 4.01(B):

Notwithstanding the foregoing, in no event shall the Minimum Monthly Rent be increased by an amount that is more than fifteen percent (15%) of the Minimum Monthly Rent payable before the adjustment date in question.

B. Gross Sales

The second paragraph of Section 4.02 is hereby deleted and in its place is inserted the following paragraph:

Gross Sales shall mean all box office receipts, including receipts from tickets or gift certificates redeemed at the premises regardless of their point of sale, as well as receipts from sale of goods, merchandise, beverages, food, vending machines and video games. Gross Sales shall exclude credits and refunds made with respect to admissions or other sales; all federal, state, county and city

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admission taxes, sales and use taxes, and other similar taxes now or hereafter imposed whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed therein, and actually paid over to the taxing authority by Tenant; returned, exchanged, waived or "Pass Admissions" including EBF charges on "Pass Admissions;" and receipts from tickets or gift certificates sold but not redeemed at the Premises. Commissions or surcharges paid to agencies or other third parties for selling tickets or processing credit card transactions, and any sums paid to third parties for the use or rental of vending machines, pay telephones or other amusement machines shall be deducted from Gross Sales.

C. Insurance

The reference in Section 6.03(D) to a Bests rating of "A-" is hereby deleted and in its place inserted a Bests rating of "A-/VII."

D. Alterations

The last sentence of Section 7.01 (A) is hereby deleted and its place inserted the following:

If the change, alteration or addition is structural or exterior in nature, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for the work and obtain Landlord's written approval therefore, which approval shall not be unreasonably delayed or withheld.

E. Indemnity and Hold Harmless

The indemnity rights set forth in Sections 9.02 and 10.01 are hereby expanded to include an obligation by Tenant to defend, indemnify and hold harmless both Landlord and Landlord's corporate affiliates, as well as their respective officers, directors, agents, and employees, in each instance where the right of indemnity would be accorded to Landlord.

F. Assignment

The reference in Section 11.01(C) to "\$30,000,000.00" is hereby deleted and replaced with "\$30,000,000.00, as adjusted each year by the CPI index identified in Section 4.01(B)"

G. Surrender

After the first sentence of Section 15.02(E), the following sentence is hereby inserted:

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Alternatively, Landlord may elect in its sole and absolute discretion to require Tenant to demolish the Tenant-occupied improvements located on the Premises and remove all surface debris thereon.

This First Amendment to Lease is hereby executed and shall be effective as of the date first written above. All other conditions of the Lease, or the executed amendments thereto, if any, shall remain in effect.

SYUFY ENTERPRISES, L.P.
“Landlord”

/s/ Raymond W. Syufy
Raymond W. Syufy
Chief Executive Officer

CENTURY THEATRES, INC.
“Tenant”

/s/ Joseph Syufy
Joseph Syufy
President

[STAMP]

Century 16 Greenback Lane — Sacramento, CA

FIFTH AMENDMENT TO LEASE

(Greenback, Sacramento)

THIS FIFTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is entered into as of August 7, 2006 to be effective as of the Effective Date (as defined hereinbelow) by and between **SYUFY ENTERPRISES, L.P.**, a California limited partnership ("Landlord"), and **CENTURY THEATRES, INC.**, a California corporation ("Tenant").

RECITALS:

A. Landlord and Century Theatres of California Inc., a California corporation ("Original Tenant"), entered into a certain Lease dated as of September 30, 1995 (the "Original Lease") for certain premises located in Sacramento, California.

B. The Original Lease has been previously amended by (i) that certain First Amendment to Lease dated as of September 1, 2000 (the "First Amendment"), (ii) that certain Second Amendment to Lease dated as of October 1, 2001 (the "Second Amendment"), (iii) that certain Third Amendment to Lease dated as of April 15, 2005 (the "Third Amendment"), and (iv) that certain Fourth Amendment to Lease dated as of September 29, 2005 (the "Fourth Amendment"; the Original Lease as heretofore amended is referred to herein as the "Lease").

C. Tenant has succeeded to the interests and assumed the obligations of Original Tenant as the lessee under the Lease.

D. Landlord has succeeded to the interests and assumed the obligation of Original Landlord as the lessor under the Lease.

E. Landlord and Tenant now desire to further amend the Amended Lease, upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lease is hereby modified and amended, and Landlord and Tenant hereby agree, as follows:

1. **Recitals Incorporated; Certain Defined Terms.** The Recitals set forth above are incorporated into this Amendment and shall be deemed terms and provisions hereof, the same as if fully set forth in this Paragraph 1. Capitalized terms that are used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Lease.

2. **Effectiveness.** The parties are entering into this Amendment in connection with the contemplated acquisition of all the outstanding capital stock of Century Theatres, Inc. by Cinemark Holdings, Inc. and Cinemark USA, Inc. (the "Acquisition") pursuant to a Stock Purchase Agreement dated as of the date hereof (the "Stock Purchase Agreement"). This Amendment shall become automatically effective upon, and only upon, the closing of the Acquisition (the "Effective Date"). In the event the Acquisition is not consummated and the Stock Purchase Agreement is terminated, this Agreement shall become void *ab initio* and of no force and effect.

3. **Initial Term of Lease and Extension Options.** Notwithstanding anything to the contrary in the Lease but subject to the provisions of the Lease applicable to the exercise an validity of such Renewal Terms, the Initial Term of the Lease is hereby extended to and shall expire on September 20, 2016 and rather than two (2) Renewal Terms of five (5) years each (as provided in the Lease), Tenant shall have the option to extend the Initial Term for four (4) consecutive Renewal Terms of five (5) years each, followed by one (1) additional and final Renewal Term of four (4) years.

4. **Landlord's Recapture Right.** If, at any time during the term of the Lease, Tenant fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more, then upon notice from Landlord to Tenant at any time thereafter (provided that the Operating Condition remains unsatisfied), Landlord shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Tenant, effective upon the date set forth in Landlord's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as a motion picture theater complex in accordance with the Lease, at least on such days and at such times that a majority of Century's and Cinemark's other motion picture theater complexes in the Sacramento, California metropolitan area typically are open and operating. The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Leased Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Tenant (A) prosecutes such work to completion with reasonable diligence, (B) exercises its reasonable efforts to minimize the length of time of such closure, and (C) exercises its reasonable efforts to limit the number of motion picture screens at the Premises that are not operated due to such closure; (ii) periods when Tenant cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Tenant in its sole discretion elects not to operate its business in the Leased Premises.

5. **Self-Insurance of Property/Casualty Risks.** Notwithstanding anything to the contrary set forth in the Lease, during any period in which Tenant maintains a Net Worth (as defined below) of at least One Hundred Million Dollars (\$100,000,000.00), Tenant may self insure the so-called "physical property damage insurance" otherwise required to be maintained by Tenant pursuant to the Lease. As used herein, the "Net Worth" of Tenant at any given time shall mean an amount equal to the sum of (A) the product of (1) Tenant's so-called EBITDA (i.e., earnings before interest, income taxes, depreciation and amortization), calculated in accordance with commercially reasonable past practice preceding the Effective Date by Tenant's parent corporation, over the 12-month period immediately preceding the time of measurement, multiplied by (2) eight (8), plus (B) the amount of cash and cash equivalents held by Tenant on the most recent anniversary of Tenant's annual insurance renewal date, minus (C) the amount of outstanding funded debt of Tenant on the determination date.

6. **Damage and Destruction — Repairs by Tenant.** Notwithstanding anything to the contrary contained in the Lease, the following shall apply to repairs and restoration upon damage or destruction:

(A) **Tenant's Obligation to Repair.** If the Leased Premises are damaged or destroyed by any peril after the Commencement Date of this Lease, then Tenant shall repair the damage and restore the Leased Premises in accordance with this (A) and (B), except as provided in subsection (B) hereinbelow. Unless Tenant is not required to effect the repairs and restoration pursuant to subsection (B) below, Tenant shall promptly apply for and diligently seek to obtain all necessary governmental permits and approvals for the repair and restoration of the Leased Premises and, upon issuance of such governmental permits and approvals, promptly commence and diligently prosecute the completion of the repairs and restoration of the Leased Premises (to the extent permitted by applicable law) to substantially the same condition in which the Leased Premises were immediately prior to such damage or destruction (subject to any alterations which Tenant would be permitted to make to the Leased Premises pursuant to this Lease).

(B) **Damage in Excess of 20%.** If the Leased Premises are damaged or destroyed by fire or other casualty which occurs in the last two years of the Initial Term or any Renewal Term and Tenant has no further options to extend the term of the Lease, and if the cost to repair such damage or to restore the Leased Premises as required in Section (A) exceeds twenty percent (20%) of the replacement cost of the Leased Premises (as determined by an independent architect selected by Tenant and approved by Landlord in Landlord's reasonable discretion) and such damage makes it impracticable to operate the Leased Premises in the reasonable business judgment of Tenant, then (i) Tenant shall have the option, upon notice to Landlord not later than one hundred eighty (180) days following the occurrence of the applicable casualty, not to undertake the repairs and restoration of the Leased Premises, and (ii) if Tenant so elects not to undertake the repairs and restoration, then Tenant nevertheless shall raze Tenant's Building and remove from the Leased Premises all building materials and debris and all underground installations that serve only the Leased Premises (including the footings and foundations of Tenant's Building and the utility lines serving Tenant's Building) and restore the surface of the Premises to a graded and landscaped surface.

Notwithstanding anything to the contrary contained in the Lease, the proceeds of any property insurance maintained by Tenant (including proceeds of self-insurance, if applicable), net of actual-out-of-pocket costs to adjust and settle the loss, shall be distributed to and used by Tenant, in accordance with the Lease.

7. **Permitted Assignments and Release.** Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Subject to the next sentence, Tenant may sublet or assign this Lease only upon receipt of Landlord's written consent which consent Landlord agrees shall

not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Lease to the contrary, it is agreed that at any time during the term of this Lease, Tenant may, without Landlord's consent or approval (but only upon prior written notice to Landlord), assign this Lease or sublet the Leased Premises to: (i) any wholly-owned subsidiary of Tenant, (ii) any corporation, trust, partnership or individual that owns fifty percent (50%) or more of the issued and outstanding stock of Tenant, or (iii) any legal entity that is engaged in the motion picture exhibition business and operates motion picture theater complexes containing at least 100 theater screens (auditoria), excluding the Leased Premises and any other premises concurrently being acquired from Tenant. A change in control of Tenant shall not constitute an assignment of this Lease requiring Landlord's consent or approval, provided, however, that if any assignee under clause (i) above ceases to be a wholly owned subsidiary of Tenant, then the same shall be deemed to constitute an assignment which is prohibited without Landlord's approval under Article XI of the Lease.

If Tenant shall assign this Lease pursuant to clause (ii) or clause (iii) above, and provided that (A) the assignee assumes in writing all obligations of Tenant under the Lease and delivers such executed written assumption to Landlord, and (B) Landlord shall have received from assignee's chief financial officer or controller a certification that the Net Worth of the assignee (determined as provided above) equals or exceeds \$100,000,000.00 calculated in accordance with Cinemark USA, Inc.'s methodology in calculating Net Worth as set forth in Section 5 hereof, then Tenant shall be released of any and all liability thereafter arising under the Lease. Except as expressly provided above, no assignment, subletting or other transfer of the Lease or the Leased Premises shall relieve or release Tenant from any liabilities or obligations arising under the Lease.

8. **Leasehold Financing.** Notwithstanding anything to the contrary contained in the Lease, Tenant shall have the right, without Landlord's consent to encumber the leasehold estate created under the Lease and/or to grant a security interest in Tenant's removable trade fixtures, furnishings and equipment located within the Leased Premises (but not to encumber Landlord's fee interest in the Premises), to secure financing provided to Tenant by any bank, thrift institution, insurance company or other institutional lender. Tenant agrees to notify Landlord of any such encumbrance. With respect to any such leasehold financing (and provided that Tenant is not in default under the Lease beyond any applicable notice or cure period), upon thirty (30) days' prior written request from Tenant, Landlord will execute and deliver to the secured lender a "Landlord's Agreement" in the form attached hereto as Exhibit "A-1".

9. **Memorandum of Lease.** On the Effective Date, Landlord and Tenant will enter into and record a short form memorandum of the Lease, in the form of Exhibit "A-2" attached hereto or otherwise in proper form for recording. Tenant shall be solely responsible for the cost of recording the memorandum, including (if applicable) any transfer taxes that may be due and payable in connection with the Lease.

10. **Gross Sales.** Notwithstanding anything in the Lease to the contrary the definition of Gross Sales shall be as follows:

“Gross Sales” shall mean the total amount of all revenues (whether in cash or credit) generated or derived from the conduct of any business at the Leased Premises, including (without limitation) all box office receipts of or at the Leased Premises (including receipts from tickets or gift certificates redeemed at the Leased Premises regardless of the point of sale), as well as any and all receipts from the sale of goods, services, merchandise, beverages, food, vending machines and video games at the Leased Premises; provided, however, that the following shall be excluded from “Gross Sales” (i) credits and refunds made with respect to admissions or other sales otherwise included in Gross Sales, (ii) all federal, state, county and city admission taxes, sales and use taxes, entertainment taxes, royalty taxes, gross receipt taxes and other similar taxes now or hereafter imposed and owing to the taxing authority by Tenant (whether such taxes are collected from customers separately from the selling price of admission tickets or absorbed by Tenant); (iii) receipts from the sale of gift certificates or tickets sold but not redeemed at the Leased Premises; (iv) with respect to any tickets or admissions ordered or paid for over the internet and redeemed at the Leased Premises, the portion (if any) of the sale price that exceeds Tenant’s actual box-office ticket price; (v) sales price for merchandise returned, (vi) amounts retained by credit card issuers, (vii) sales outside of the ordinary course of business, (viii) amount of credit card sales deemed uncollectible, (ix) advertising revenues including without limitation media, sponsorship, and promotional advertising of any kind, and (x) the receipts of or from so-called “four-wall deals” with a party that is not affiliated with Tenant, except that the portion thereof or other amounts paid to Tenant in connection with such “four-wall deals” shall be included in “Gross Sales” under this Lease. Commissions or surcharges paid to agencies or other third parties not affiliated with Tenant for selling tickets or processing credit card transactions, and any sums paid to third parties not affiliated with Tenant for the use or rental of vending machines, pay telephones, amusement machines and other similar devices shall be deducted from “Gross Sales” (if and to the extent previously included in “Gross Sales”).

11. **Taxes.** Notwithstanding any other provision of the Lease or this Amendment to the contrary, if during the ten (10) year period immediately following the Effective Date, any sale or change in ownership of the Premises (or against the Entire Premises, if the Premises are not separately assessed) is consummated by Landlord and, as a result, all or part of the Premises (or Entire Premises, if applicable) are reassessed (a “Reassessment”) for real property tax purposes by the appropriate governmental authority under the terms of Proposition 13 (as adopted by the voters of the State of California in the June 1978 election) or the terms of Article XIII A of the Constitution of the State of California, then the terms of this Section shall apply. For purposes of this Section, the term “Tax Increase” shall mean that portion of the annual real estate taxes assessed against the Premises (or the Entire Premise, if applicable), as calculated immediately following the Reassessment, that is attributable solely to the Reassessment. Accordingly, a Tax Increase shall not include any portion of the real estate taxes, as calculated immediately following the Reassessment, that is:

(i) Attributable to the assessment of the value of the Premises (or Entire Premises, if applicable) prior to the Effective Date;

(ii) Attributable to the annual inflationary increases in real estate taxes; or

(iii) Attributable to the sale of Landlord's ownership interest in Tenant on or about the Effective Date, or attributable to the execution of this Amendment or any extension of the Term of this Lease on the Effective Date or thereafter.

During the five (5) year period immediately following the Effective Date, Tenant shall not be obligated to pay any portion of any Tax Increase relating to a Reassessment.

Commencing on the fifth anniversary of the Effective Date, and continuing until the tenth anniversary of the Effective Date, Tenant shall be obligated to pay annually only the portion of a Tax Increase relating to a Reassessment that is equal to (or less than) an increase of four percent (4%) per annum, compounded annually, from the Effective Date, in the annual amount owed by Tenant for real estate taxes under the terms of the Lease, from the annual amount owed by Tenant for real estate taxes under the terms of the Lease in calendar 2006.

The terms and provisions of this Section shall not apply to any increase in real estate taxes which results from or is attributable to any occurrence, fact or circumstance other than a sale by Landlord of Landlord's interest in the Premises or a transfer effected by Landlord which is treated as a sale by the local taxing authorities under Proposition 13 (excluding those matters identified in clause (iii) above). This Section shall not apply from and after the tenth (10th) anniversary of the Effective Date of this Amendment.

12. Alterations by Tenant.

Notwithstanding anything in the Lease to the contrary, the following shall apply and control:

Tenant shall have the right from time to time, at its sole cost and expense, to make non-structural interior alterations, improvements, or changes in the Leased Premises as Tenant shall deem necessary or beneficial consistent with Tenant's exclusive use of the Leased Premises as a motion picture theatre complex and if Tenant undertakes such work, Tenant must pursue such work until completion. Tenant shall fully and completely indemnify Landlord against any mechanics' or other liens in connection with the making of such alterations and changes, and shall pay all costs, expenses, and charges thereof. Alterations, changes and improvements shall be performed in a first-class manner and must comply with all laws, zoning regulations and ordinances, and any conditions on permits issued pursuant thereto. If it is necessary in Tenant's reasonable judgment to close any of the motion picture screens during the period in which any of Tenant's work permitted hereunder is performed, said closure(s) shall be effected only in accordance with the provisions governing an "Excused Closure", as that term is defined in Section 4 of this Amendment.

13. Rooftop Equipment and Access. Tenant shall have the exclusive right to install, operate, repair, replace and maintain satellite dishes and/or other communication transmission devices (collectively "Rooftop Equipment") on the roof of the theatre necessary or appropriate

to accept any transmission of signals to the theatre for all permitted uses, including without limitation, for movies, advertising, concerts, telecasts, corporate meetings or communications and the like; but Tenant shall be prohibited from entering into any leases or licenses with any third parties for retransmission from such Rooftop Equipment, and Tenant shall not retransmit such signals to a third party outside of the Leased Premises. Landlord shall not use, or permit any person or entity (other than Tenant), to use the roof or exterior walls of the theatre for any purpose whatsoever, and Landlord agrees not to enter into any leases or licenses with third parties for the use of the theater rooftop. Landlord shall be responsible for any damage to the rooftop caused by the Landlord or a third party that enters onto the theatre rooftop with Landlord's permission, and Landlord shall indemnify and hold Tenant harmless from all loss, cost, damage or expense which Tenant incurs as a result of the acts or omissions of said third party or their agents or employer. Tenant hereby indemnifies and agrees to hold Landlord and Landlord's successors and assigns harmless from all loss, cost, damage or expense which Landlord incurs as a result of the actions of Tenant, or its agents or employees in installing and utilizing Rooftop Equipment as permitted hereunder.

14. **Alterations and Development by Landlord.** Landlord agrees that with respect to the Entire Premises, the following restrictions shall apply to Landlord's usage and improvement thereof:

(a) Any alterations or new construction to the Entire Premises or contiguous property owned or controlled by Landlord or its affiliates as of the Effective Date (the "Contiguous Property") may be made without Tenant's consent only if such alterations or new construction do not materially and adversely affect Tenant's operations (including, without limitation, parking, access, ingress and egress to the theatre building and visibility of the theatre building and/or on-building theatre signage). Any such alterations or new construction on the Entire Premises and any cross parking or cross access arrangements between the Entire Premises and the Contiguous Property will first be submitted to Tenant for approval, not to be unreasonably withheld or delayed, and Tenant shall be required to identify the manner in which Tenant's operations are so affected. If Landlord and Tenant are unable to agree on whether such alteration or new construction materially and adversely affects Tenant's operations, including without limitation, parking, access, ingress and egress and visibility, the parties agree to submit the issue to binding arbitration pursuant to the Lease.

(b) Landlord shall not lease, sell or use any space on Non-leased Premises or the Contiguous Property for operating a motion picture theatre.

(c) Subject to existing leases, licenses and operating agreements, Landlord shall not lease, license, enter into an operating agreement for, sell or use any space on Non-leased Premises for operating the following: a bowling alley; a bar or lounge (other than a bar or lounge that is connected with a restaurant, deriving 50% of its revenues from the sale of food); a liquor store (other than first-class or upper-end wine store such as "BevMo"); a bulk candy store, (other than upper-end candy stores such as Godiva, Sees, Rocky Mountain Chocolates and similar concepts); a popcorn store; a massage parlor or adult (i.e., pornographic) book store.

(d) Landlord shall not place any carts, kiosks or other temporary structures selling food and/or beverages within common areas of the Entire Premises unless such carts, kiosks or

other structures are more than 500 feet from the theatre. Such carts and kiosks may not sell any food or beverages sold in the theatre. Landlord shall not place any vending machines selling food and/or beverages on the common areas of the Entire Premises unless such vending machines are more than 500 feet from the theatre.

(e) Any new buildings shall be limited to retail, restaurant, residential and/or office uses.

15. **Permitted Use and Operations.** From and after the Effective Date, Tenant shall be permitted to use and operate the Leased Premises as and only as: a first-class motion picture theatre complex (whether operated as a so-called "first-run" theatre, a "discount" theatre, and/or an "art house" theatre). In no event shall Tenant be permitted to operate the Leased Premises as a so-called "adult" theater complex.

16. **No Obligation To Continuously Operate.** Notwithstanding anything to the contrary in the Lease or otherwise, Landlord hereby acknowledges that Tenant shall not be required to continuously operate and open for business in or from the Premises and any election by Tenant to cease operations at the Premises shall not constitute a default or breach of the terms and conditions of the Lease.

17. **Removal of Equipment, Surrender and Demolition.** Upon the expiration of the Term or earlier termination of the Lease, and provided Tenant is not in default under the Lease beyond applicable notice and cure periods, and said earlier termination is not due to Tenant's default under the Lease, then for a period extending forty-five (45) days beyond the date of said expiration or termination, Tenant shall be permitted to remove any and all furniture, fixtures and equipment owned and installed by Tenant in, on or to the Leased Premises. Such removal shall be: (a) at Tenant's sole cost and expense; (b) conducted in such manner that no liens or claims shall arise or exist in connection therewith; (c) conducted in a manner to avoid unreasonable interference with the activities of Landlord and subsequent tenants or occupants upon the Leased Premises and Tenant shall repair all damages caused by such removal.

Upon surrender of the Leased Premises by Tenant and removal of its equipment pursuant to the terms of the Lease and this Amendment, Landlord shall be responsible for the cost of any demolition of the Leased Premises and site grading and restoration as a result. Such demolition shall be undertaken in Landlord's sole discretion and at such times, manner and upon such events as Landlord solely shall determine.

18. **California Remedies.** Landlord's remedies upon a default under the Lease shall include, without limitation, the following:

Even though Tenant has breached the Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the Civil Code of the State of California or any successor code section (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to

sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

19. **Termination of Lease and Lessee's Right to Possession.** Section 15.02(C) of the Lease shall be deemed deleted in its entirety and replaced with the following:

"If an event of default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination. Should Landlord terminate this Lease pursuant to foregoing, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the Civil Code of the State of California, or successor code section. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled at law or in equity, Landlord shall be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that the Tenant proves could have been reasonably avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that the Tenant proves could be reasonably avoided;
- (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom; and
- (5) for any other sums due."

20. **Notices.** The notices provisions of the Lease, as the case may be, shall be deemed deleted in their entirety and replaced with the following:

(a) Except as otherwise expressly and specifically in this Lease provided, a bill, demand, statement, consent, notice or other communication ("notice") which either party may desire or be required to give to the other party shall be deemed sufficiently given or rendered if in writing, delivered personally to the party to be charged therewith or sent by certified mail (return receipt requested) or private express mail courier service (postage or delivery or courier fees fully prepaid) addressed to such party at the addresses set forth in subparagraph (c) below

(including the addresses for copies of notices) and/or at such other address(es) as such party shall designate to the other party by notice given as herein provided. If Landlord is notified of the identity and address of Tenant's Leasehold Mortgagee, Landlord shall give such party any notice served upon Tenant hereunder to the last known address of such Leasehold Mortgagee as provided by Tenant to Landlord by certified mail or private express courier service. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give such mortgagee any notice served upon Landlord hereunder to the last known address of such mortgagee as provided by Landlord to Tenant, by certified mail or private express courier service.

(b) Any notice given in accordance with the foregoing provisions of this Section shall be deemed effective upon the earlier of (i) if the notice is personally delivered, the date actually received by intended recipient, (ii) if the notice is sent by certified mail, five (5) days after the same is mailed, or (iii) if the notice is sent by private overnight courier service (e.g., Federal Express, DHL or similar courier), one (1) day after the same is delivered to or picked up by such courier. Rejection or refusal to accept a notice or the inability to deliver same because of a changed address of which no notice was given shall be deemed to be a receipt of the notice sent. Notwithstanding any provision to the contrary contained in this Lease, no provision in this Lease shall preclude service of notices in accordance with Section 1162 of the California Code of Civil Procedure or any similar and/or successor code sections.

(c) Addresses for Notices to Landlord and Tenant.

Notices are to be delivered, mailed or couriered to the following address(es):

To Landlord: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: President

with a copy to: Syufy Enterprises, L.P.
150 Pelican Way
San Rafael, California 94901
Attention: General Counsel

and a copy to: DLA Piper
203 North LaSalle
Suite 1900
Chicago, IL 60601
Attention: David Sickle, Esq.

To Tenant: Century Theatres, Inc.
c/o Cinemark, Inc.
3900 Dallas Parkway
Suite 500
Plano, TX 75093
Attention: Legal Department

Tenant and Landlord may change their respective addresses for purposes of this section by giving written notice of such change to the other.

21. **Miscellaneous Amendments.** Notwithstanding anything contained herein to the contrary, whenever any of the terms “Leased Premises”, “Demised Premises” or “Premises” (and whether or not capitalized) is used herein, it shall be understood to mean the “premises leased hereby”; and whenever the term “Entire Premises” is used herein (and whether or not capitalized), it shall be understood to mean all of the contiguous land and buildings owned by Landlord at this location, which include the premises leased hereby. The term “Non-leased Premises” shall mean the Entire Premises less the Leased Premises.

22. **Prior Amendments.** All of the provisions of the First Amendment are hereby deleted in their entirety and of no further force and effect except for (i) the first grammatical paragraph of Paragraph A concerning the definition of Consumer Price Index and (ii) Paragraph E concerning the Indemnity and Hold Harmless. The Second Amendment and the Third Amendment and the Fourth Amendment are hereby deemed to be void *ab initio* — it being the intent of the parties hereto that this Amendment shall supersede the Second, Third and Fourth Amendments in their entirety.

23. **Effect of Amendment.** The Amendment modifies and amends the Lease, and the terms and provisions hereof shall supersede and govern over any contrary or inconsistent terms and provisions set forth in the Lease. The Lease, as previously amended and as hereby further amended and modified, remains in full force and effect and is hereby ratified and confirmed. All future references in the Lease to the “Lease” shall mean and refer to the Lease, as amended and modified by this Amendment.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date herein above provided.

Landlord:

SYUFY ENTERPRISES, L.P., a California limited partnership

By: /s/ Joseph Syufy
Name: _____
Title: _____

Tenant:

CENTURY THEATRES, INC., a California corporation

By: /s/ Raymond W. Syufy
Name: _____
Title: _____

AKIN GUMP
STRAUSS HAUER & FELD LLP

Attorneys at Law

TERRY M. SCHPOK, P.C.
(214) 969-2870 / Fax: (214) 969-4343
tschpok@akingump.com

April 20, 2007

Securities and Exchange Commission
100 F Street, N.E.
Mail Stop 3561
Washing, D.C. 20549-3561
Attn: Mr. Max A. Webb

Re: Cinemark Holdings, Inc. (the "**Company**")
Registration Statement on Form S-1
Filed February 1, 2007
File No. 333-140390

Dear Mr. Webb:

On behalf of Cinemark Holdings, Inc., a Delaware corporation (the "**Company**"), we enclose for filing under the Securities Act of 1933, as amended (the "**Securities Act**"), and the applicable rules and regulations under the Securities Act, Amendment No. 5 (the "**Amendment**") to the Registration Statement on Form S-1, File No. 333-140390, filed on February 1, 2007 (the "**Registration Statement**").

The Registration Statement has been amended solely to file Exhibits 10.10(a), 10.10(b), 10.10(c), 10.10(e), 10.11(a), 10.11(b), 10.11(e), 10.12(a), 10.12(b), 10.12(c), 10.12(e), 10.13(a), 10.13(b), 10.13(e), 10.14(a), 10.14(b), 10.14(e), 10.15(a), 10.15(b), 10.15(e), 10.16(a), 10.16(b), 10.16(c), 10.16(e), 10.17(a), 10.17(b), 10.17(e), 10.18(a), 10.18(c), 10.18(d), 10.18(f), 10.19(a), 10.19(b), 10.19(c), 10.19(d), 10.19(e), 10.20(a), 10.20(b), 10.20(d), 10.20(e), 10.21(a), 10.21(b), 10.21(c), 10.21(e), 10.22(a), 10.22(b), 10.22(d), 10.22(e), 10.23(a), 10.23(b), 10.23(e), 10.24(a), 10.24(b), 10.24(c), 10.24(e), 10.25(a), 10.25(d), 10.26(a), 10.26(d), 10.27(a), 10.28(a), 10.28(d), 10.29(a), 10.29(d), 10.30(a), 10.30(b), 10.30(c), 10.31(a), 10.31(b), 10.31(c), 10.31(e), 10.32(a), 10.32(b), 10.32(d), 10.33(a), 10.33(c), 10.33(f), 10.34(a), 10.34(b), 10.34(c), 10.34(e), 10.35(a), 10.35(d), 10.36(a), 10.36(b), and 10.36(f).

The exhibits listed in this letter are being filed in their entirety in unredacted form and are intended to replace the redacted exhibits filed previously in Amendment No. 3 to the Registration Statement on Form S-1 under the same exhibit numbers.

Please call the undersigned at (214) 969-2870 if you have any questions.

AKIN GUMP STRAUSS HAUER & FELD LLP

By: Terry M. Schpok, P.C., Partner

By: /s/ Terry M. Schpok
Terry M. Schpok, President