



October 9, 2018

PPCC Executive Committee,

Thank you for your letter to Rick, sharing the concerns of the Pacific Palisades community. We deeply appreciate your support for Palisades Village in this wonderful town and are grateful for the opportunity to address your parking concerns.

We are aware of the issues you raised, and please be assured that we have been in constant discussions to resolve them. Whenever a vibrant new place like Palisades Village opens, there are bound to be operational considerations like those you've shared. Sometimes these improvements can take a little time to work through, as we study the various conditions and observe the property as it stabilizes. However, we have great admiration and respect for our neighbors, and for PPCC, and we've been working diligently toward solutions.

As you are aware, as soon as we received reports of tenants' employees parking on surrounding residential streets, we called our tenants, reminding them of their lease obligation to provide parking in our garage for their employees — free of charge to the employees. We also followed that up last week with formal letters to our tenants. To further support that effort, we installed over 10 signs throughout the Alphabet streets, reminding employees they are not allowed to park in the neighborhood. Beginning this week, we will enforce that requirement by formally documenting any tenants that are not complying with their leasehold requirement via default notice.

We're also aware of the concern that some Palisades Village patrons may not be using the garage, due to our parking program. We are currently providing a courtesy grace period of 30 minutes, whether or not an individual makes a purchase. Several of the tenants on property provide a validation for their customers and that list is growing. Additionally, if a customer spends a combined \$250 on property, consistent with our other properties, they receive free valet or self-parking for the entire day. Please recall, the original parking lot at this location did not provide any free parking.

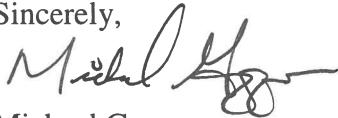
However, given the concerns expressed, beginning today we are extending our courtesy grace period from 30 minutes to one hour. No validation is required for one hour of free parking. We think it's important to note that no other privately-owned or public parking lots, structures or meters in the area provide the amount of free parking we are offering. Validated tickets will continue to receive 50% off the non-validated rate.

Concerning the comments that our parking garage machines are not accepting validation cards from Vintage Grocers, we completed a comprehensive test of those validation cards this past weekend and had no problem. However, we will continue to test, to make sure any glitches in the system have been resolved.

We understand some have expressed confusion about how our parking validation system is described on our website. We agree and are working with our team to provide a clearer explanation of our validation system, which will be uploaded to our website later this week.

Thank you for your support and guidance over the years and we look forward to our continued great relationship for years to come.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Gazzano". The signature is fluid and cursive, with a large initial "M" and a stylized "G".

Michael Gazzano

Vice President, Development