

FIRST AMENDMENT
TO GROUND LEASE
WITH RESPECT TO THE BLOCK 7 THEATER PARCEL

This FIRST AMENDMENT ("First Amendment") TO GROUND LEASE is entered into as of this 14th day of DECEMBER, 2003, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE, a public body, corporate and politic, established and operating pursuant to the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000, et seq.) ("Landlord" or "Agency"), and F.C. PAVILION L.L.C., an Ohio Limited Liability Company ("Tenant").

RECITALS

A. Landlord and a predecessor in interest to Tenant entered into that certain Ground Lease dated February 3, 1994 ("Lease"), wherein Tenant's predecessor leased from Landlord certain real property as more particularly described on Exhibit A attached hereto ("Property").

B. The assignment of the Lease to Tenant by 50 West San Fernando Associates was approved by the Agency's Board of Directors pursuant to its Resolution No. 4451 adopted May 21, 1998.

C. The Lease requires that the Site be operated as a theater. United Artists Theatre Circuit, Inc. ("UA") was the original subtenant of the Site, however, UA subsequently vacated and abandoned the Site.

D. Concurrently herewith and with the approval of Landlord, Tenant has entered into a sublease ("Cameras Sublease") of the Site with Cameras Cinema Management Corporation, a California corporation ("Cameras"). Landlord will provide Cameras with a Commercial Building Loan to make tenant improvements needed by Cameras to occupy the Site.

D. As a condition to the Cameras Sublease, Landlord and Tenant have agreed to amend the Lease to (i) provide for a portion of the rent payable under the Cameras Sublease to be payable to Landlord, (ii) allow Tenant the option to acquire the fee underlying the Site earlier than the time provided in the Lease, and (iii) eliminate the covenant that the Site be operated as a theater if, upon a default by Cameras resulting in an early termination of the Cameras Sublease, Landlord is unable to obtain an substitute subtenant to operate a theater at the Site within a certain period of time and as otherwise provided below.

NOW, THEREFORE, Landlord and Tenant hereby agree as follows:

1. Supplemental Rent. Notwithstanding anything to the contrary contained in the Lease, in addition to any Percentage Rent payable under the Lease, Tenant shall pay to Landlord sixty percent (60%) of any Rent (as defined in the Cameras Sublease) paid by Cameras under the Cameras Sublease or any rent paid by a Substitute Subtenant as described in Subsection 3 below ("Supplemental Rent"). Supplemental Rent shall be paid to Landlord within thirty (30) days of the date Tenant receives such Rent from Cameras or receives rent from a Substitute Subtenant. The parties acknowledge that the Supplemental Rent payable hereunder shall only be required if Cameras is the subtenant or if the Landlord has obtained a Substitute Subtenant as described below. If the Cameras Sublease terminates and Landlord does not obtain a Substitute Subtenant, then Tenant's obligation to pay Supplemental Rent shall terminate. Notwithstanding the above, the parties acknowledge that as part of the inducement to Cameras to enter into the Cameras Sublease, Tenant has agreed to abate the payment of monthly rent under the Cameras Sublease for a period of one (1) year. Landlord hereby consents to such abatement and acknowledges that Supplemental Rent shall not be payable hereunder during the period rent is abated under the Cameras Sublease.

2. Early Exercise of Purchase Option. From and after the date hereof, Tenant shall, notwithstanding the provisions of Subsection 214 b of the Lease, have the right to exercise the Purchase Option described in Section 213 of the Lease by written notice to Landlord delivered at any time prior to expiration or termination of the Lease. Notwithstanding Section 215 a of the Lease, the Price for the Site shall be the fair market value for the fee interest in the Site without improvements and based on the highest and best use allowed under the then current zoning. Except as amended herein, all other terms and conditions regarding the Purchase Option shall remain in full force and effect.

3. Default by Cameras. Notwithstanding anything to the contrary contained in the Lease, if Cameras defaults under the Cameras Sublease and such default results in a termination of the Cameras Sublease, Landlord shall have six (6) months after the termination of the Cameras Sublease to obtain a letter of intent from a substitute subtenant for the Site ("Substitute Subtenant"). A Substitute Subtenant shall be a theater operator that possess sufficient experience, qualifications and financial standing in operating similar first-class theaters and the established ability to exhibit first-run films produced by major studios and shall be reasonably acceptable to Landlord and Tenant. If, within such six (6) month period, Landlord obtains a written letter of intent from an acceptable Substitute Subtenant, Tenant shall either have the Substitute Subtenant expressly assume all of Cameras obligations under the Cameras Sublease or shall enter into a new sublease in a form and content reasonably satisfactory to Landlord. Notwithstanding the above, Tenant shall not be required

to expend any additional funds or make any further investment in the Property to obtain a Substitute Subtenant and it shall be reasonable for Tenant to disapprove a Substitute Subtenant if the rent payable by such Substitute Subtenant is less than the rent payable by Cameras under the Cameras Sublease.

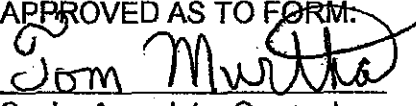
4. Operation of Theater. Notwithstanding anything to the contrary contained in the Lease, if Cameras defaults and the Sublease terminates and Landlord is unable to obtain a Substitute Subtenant within the period described above, then, upon expiration of such six (6) month period, Tenant may use the Site and the Improvements thereon for any lawful use and any covenants contained in the Lease regarding the operation of the Site as a theater or any requirement that title to the Site be transferred subject to a covenant to operate a theater shall be of no further force and effect.

5. Conflict. In the event of a conflict between the terms and provisions of this First Amendment and the terms and provisions of the Lease, the terms and provisions of this First Amendment shall control. Except as amended, the Lease shall remain unchanged and in full force and effect. Any capitalized terms used herein and not otherwise defined herein shall have the meaning given such term in the Lease.

6. Counterparts. This First Amendment may be signed in counterparts, all copies of which, when taken together, shall comprise one fully-executed documents.

IN WITNESS WHEREOF, Landlord and Tenant have executed this First Amendment as of the date first hereinabove written.

APPROVED AS TO FORM:


Senior Associate Counsel

LANDLORD
REDEVELOPMENT AGENCY
OF THE CITY OF SAN JOSE


Executive Director

TENANT
F.C. PAVILION L.L.C

By: Forest City Commercial
Group, Inc.,
Administrative Member

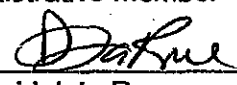
By 
David J. LaRue
President and COO

EXHIBIT A

Legal Description

Real Property in the City of San Jose, County of Santa Clara, State of California, described as follows:

Parcel 3 as shown on that certain Parcel Map filed in the Office of the Recorder of the County of Santa Clara, State of California on November 17, 1986, in Book 567 of Maps, page 13 and 14.

APN: 467-46-105

Block 7

EXHIBIT A