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**COPY**

AGREEMENT OF PURCHASE AND SALE  
AND JOINT ESCROW INSTRUCTIONS

APN: 4291-011-018 and 4921-011-014  
1301 - 1333 Fourth Street, Santa Monica, CA 90401

Escrow No. NCS-420893-LA2

\*\*October 13, 2010

This ~~AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW~~  
INSTRUCTIONS ("Agreement") is made and entered into as of this \*\* day of 2010  
("Effective Date"), and constitutes an agreement by which KARL E. SCHOBBER, an individual  
("Schober"), as to an undivided 1/3 interest; VIRGINIA TEGNER SPURGIN INVESTMENT  
CO., LLC, a California limited liability company ("Spurgin"), as to an undivided 1/3 interest and  
an undivided 30% of an undivided 1/3 interest; BOYS' AND GIRLS' CLUB OF SANTA  
MONICA, INC., a California non-profit public benefit corporation ("SMBGC"), which acquired  
title under the name "The Boy's Club of Santa Monica, California", as to an undivided 30% of  
an undivided 1/3 interest; SHRINERS HOSPITALS FOR CHILDREN, a Colorado non-profit  
corporation ("Shriners"), which acquired title under the name "Shriners Hospitals for Crippled  
Children of Los Angeles, California," as to an undivided 30% interest of an undivided 1/3  
interest; SANTA MONICA YOUNG MEN'S CHRISTIAN ASSOCIATION, a California non-  
profit public benefit corporation ("YMCA"), which acquired title under the name "Young Men's  
Christian Association of Santa Monica, California," as to an undivided 5% interest of an  
undivided 1/3 interest; YWCA SANTA MONICA/WESTSIDE, a California non-profit public  
benefit corporation ("YWCA"), which acquired title under the name "The Young Women's  
Christian Association of Santa Monica, California," as to an undivided 5% interest of an  
undivided 1/3 interest (each individually referenced herein as "Component Seller," and  
collectively referenced herein as "Seller"), agrees to sell to, and REDEVELOPMENT AGENCY  
OF THE CITY OF SANTA MONICA, a public body corporate and politic ("Buyer"), agrees to  
purchase, on the terms and conditions set forth herein, all of Seller's right, title and interest in (a)  
those certain real properties described in the "Legal Description," attached hereto as Exhibit A,  
and shown on the "Property Map," attached hereto as Exhibit B, (b) all Improvements as  
hereinafter defined, and (c) all and singular estates, rights, privileges, easements and  
appurtenances belonging or in any way appertaining to such real properties (collectively, the  
"Property").

**TERMS AND CONDITIONS**

NOW, THEREFORE, the terms and conditions of this Agreement and the instructions to  
First American Title Company, Attn: Bobbie Purdy ("Escrow Holder") with regard to the escrow  
("Escrow") created pursuant hereto are as follows:

1. Improvements. For purposes of this Agreement, the term "Improvements" shall mean, without limitation, structures, improvements, pavement areas improved with asphalt, concrete or similar materials, and fixtures and equipment installed upon or located in or on the Property (other than such fixtures and equipment as may be the property of any authorized lessees for which such lessees may have the right to remove such fixtures and equipment at termination of their respective leases).

2. Acquisition.

a. Purchase Price. The purchase price to be paid by Buyer to Seller for the Property shall be FORTY-TWO MILLION FIVE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$42,500,000.00) ("Purchase Price"). Each Component Seller's pro rata share of the Purchase Price shall be as set forth in the Seller Share Schedule, attached hereto as Exhibit C1.

b. Payment of Purchase Price. The terms for payment of the Purchase Price shall be as follows:

(1) Annual Payments. The Purchase Price plus an interest rate of 6.82% shall be amortized and paid in annual installments, until the calendar year 2042. The first annual payment shall be deposited by Buyer into Escrow by wire transfer of immediately available funds at least three (3) days prior to the Close of Escrow ("First Annual Payment"). The amount of the First Annual Payment shall be TWO HUNDRED AND SIXTY-FIVE THOUSAND TWO HUNDRED AND SEVENTEEN DOLLARS AND 63/100 CENTS (\$265,217.63). The remaining annual payments for calendar years 2011 through 2042 shall be made in accordance with the Payment Schedule, attached hereto as Exhibit C2.

(2) Security for Payment. The payment of the Purchase Price plus interest shall be evidenced by six (6) promissory notes (each referenced herein as "Agency Note"), substantially in form attached hereto as Exhibits D1-D6. The Agency Notes shall be secured by a Deed of Trust, Security Agreement and Fixture Filing ("Agency Deed of Trust") and an Assignment of Leases and Rents ("Agency Assignment") substantially in forms attached hereto as Exhibits E1 and E2, respectively, which shall constitute liens on the Property. First Private Bank, or equivalent entity mutually agreeable to Buyer and Seller (the "Beneficiary"), shall be the beneficiary under the Agency Deed of Trust and the Assignee under the Agency Assignment and shall receive payments under the Agency Notes on behalf of Seller. The Agency Deed of Trust shall provide that any costs or expenses relating to the Beneficiary shall be split equally, one half payable by the Buyer and one half payable by the Seller.

(3) City Lease. As a condition to Closing, the Buyer and the City of Santa Monica ("City") shall enter into a lease of the Property substantially in form attached hereto as Exhibit F ("City Lease") along with a Memorandum of the City Lease substantially in the form attached hereto as Exhibit G (the "Memo of Lease"). The City Lease, and any subleases entered into by City thereafter, shall be senior in priority to the Agency Deed of Trust and the Agency Assignment.

(4) Buyer Right of Defeasance. The Agency Deed of Trust shall provide Buyer with the right, at any time, at Buyer's option, to obtain full reconveyance of the Agency Deed of Trust and termination of the Agency Assignment on the terms and conditions set forth therein (referred to herein as "defeasance") including, without limitation, execution and delivery of a Pledge Agreement in substantially the form attached to the Deed of Trust as Exhibit B.

3. Legal Opinion.

As a condition to Closing, Seller shall have received a legal opinion from the City's outside counsel, Kane Ballmer & Berkman in the form attached hereto as Exhibit H (the "Opinion") to the effect that (a) the Buyer and the City have all requisite power and authority to enter into the transaction and to perform their obligations under this Agreement and any implementing documents expressly referenced in this Agreement ("Implementing Documents"), (b) the Agreement and the Implementing Documents to be executed by the Buyer and City have been duly authorized by requisite actions of the Buyer and the City and the Agreement and all such Implementing Documents have been duly executed and delivered by them, and (c) this Agreement and the Implementing Documents are valid and binding obligations of the Buyer and the City, as applicable, and are enforceable in accordance with their terms, subject to all standard qualifications and limitations.

4. Payment of Closing Costs.

Within five (5) days of written request from Escrow Holder, and in any event at least three (3) days prior to the Close of Escrow, Buyer shall deposit or cause to be deposited with Escrow Holder, by wire transfer of immediately available funds, that portion of the Closing Costs to be paid by Buyer, as required by Paragraph 11 herein.

5. Escrow.

a. Opening of Escrow. Escrow shall be opened by Buyer within five (5) business days of execution of this Agreement by Buyer's authorized representative. Escrow shall be deemed opened on the date Escrow Holder shall have received an executed counterpart of this Agreement from both Buyer and Seller ("Opening Date"). Escrow Holder shall notify Buyer and Seller, in writing, of the Opening Date. In addition, Buyer and Seller agree to execute, deliver, and be bound by any reasonable or customary supplemental joint order escrow instructions of Escrow Holder, or other instruments as may reasonably be required by Escrow Holder, in order to consummate the transaction contemplated by this Agreement. Any such supplemental instructions shall not conflict with, amend, or supersede any portion of this Agreement. If there is any inconsistency between such supplemental instructions and this Agreement, then this Agreement shall control.

b. Close of Escrow. The close of escrow ("Close of Escrow" or "Closing") shall occur on November 1, 2010, subject to extension as specifically provided herein.

c. Condition of Property: As-Is, Where Is. BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SELLER IS SELLING AND BUYER IS PURCHASING THE PROPERTY ON AN "AS IS WITH ALL FAULTS" BASIS AND THAT, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT (INCLUDING PARAGRAPH 15 BELOW), BUYER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM ANY COMPONENT SELLER OR ANY OF THE INDIVIDUAL MEMBERS, OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS OR AGENTS OF ANY COMPONENT SELLER AS TO ANY MATTERS CONCERNING THE PROPERTY, INCLUDING WITHOUT LIMITATION: (a) the quality, nature, adequacy, and physical condition of soils, geology and any groundwater; (b) the existence, quality, nature, adequacy and physical condition of utilities serving the Property; (c) the development potential of the Property, and the Property's use, merchantability, or fitness, or the suitability, value or adequacy of the Property for any particular purpose; (d) the zoning or other legal status of the Property or any other public or private restrictions on use of the Property; (e) the compliance of the Property with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions and restrictions of any governmental or quasi-governmental entity or of any other person or entity; (f) the presence of "Hazardous Materials" (as defined in Paragraph 15 below) on, under or about the Property or the adjoining or neighboring property; (g) the quality of any labor and materials used in any Improvements; and (h) the condition of title to the Property. Buyer agrees that Buyer's acquisition of the Property shall constitute an acknowledgement by Buyer that it has had sufficient opportunity to inspect and review the Property and the Due Diligence Materials, as defined in Section 8a(1) below, has conducted all inspections, studies, reviews and analyses it deems necessary or appropriate for making its decision to acquire the Property, and has, or has relied on the advice of consultants which have, adequate expertise to conduct such inspections, studies, reviews and analyses.

6. Conditions of Title. It shall be a condition to the Close of Escrow and a covenant of Seller that Seller shall convey fee simple title to the Property by Grant Deed and Assignment of Leases, substantially in form attached hereto as Exhibit I (the "Grant Deed"). Upon receiving said executed Grant Deed, Escrow Holder is instructed to forward copies of the Grant Deed to Buyer so that an original Certificate of Acceptance in a form that conforms to California Government Code section 27281 can be attached to the Grant Deed.

Buyer hereby approves the condition of title to the Property (the "Approved Condition of Title") set forth in the Title Report dated as of May 21, 2010 attached hereto as Exhibit J ("Title Report") issued by First American Title Insurance Company (the "Title Company"). Each Component Seller agrees that (a) he or it will not take any affirmative action during this Escrow which would cause title to the Property to differ from the Approved Condition of Title, and (b) if an additional exception to title is created during the Escrow relating to such Component Seller, such Component Seller shall take such action as may be necessary to remove such exception or cause the Title Company to issue the Buyer's Title Policy referred to in Section 8a(8) below without showing such exception. Any liens, encumbrances, easements, restrictions, conditions, covenants, rights, rights-of-way, or other matters affecting the Approved Condition of Title

which may appear of record or be revealed after the date of the Title Report shall also be subject to Buyer's approval and must be eliminated or ameliorated to Buyer's satisfaction by Seller prior to the Close of Escrow as a condition to the Close of Escrow for Buyer's benefit, except as expressly agreed to by Buyer herein.

7. Reserved.

8. Conditions to Close of Escrow.

a. Conditions to Buyer's Obligations. The Close of Escrow and Buyer's obligation to consummate the transaction contemplated by this Agreement are subject to Seller's satisfaction of the following conditions for Buyer's benefit on or prior to the dates designated below for the satisfaction of such conditions or Buyer's waiver thereof:

(1) Due Diligence Materials. Spurgin has delivered to Buyer copies of the following items, if and to the extent such items are in Spurgin's possession (the "Due Diligence Materials"): (i) a copy of the most recent tax bill relating to the Property; (ii) any and all environmental reports relating to the Property; (iii) copies of any and all material documents that pertain to the physical condition of the Property; (iv) any and all agreements with any third party pertaining to maintenance of or service to the Property or Improvements thereon (collectively, "Seller's Service Agreements"); and (v) any and all agreements with any third party with any rights to occupy the Property or Improvements thereon ("Seller's Lease Agreements") including, without limitation, that certain AIR Commercial Real Estate Association Standard Industrial/Commercial Single-Tenant Lease -- Net, dated December 19, 2006 ("Chase Lease"), by and between Seller (as "Landlord") and Washington Mutual Bank (as "Lessee" therein), as amended by that certain Receiver's Assignment and Assumption of Lease, dated December 22, 2008, whereby JPMorgan Chase Bank assumed the Chase Lease on behalf of Lessee; and that certain Amended and Restated Lease Agreement by and between Seller (as "Landlord") and Bank of America, N.A. (as "Tenant"), dated December 1, 2005 ("B of A Lease"). Spurgin shall also provide Buyer with written notice of any other material reports relating to the physical condition of the Property that Spurgin knows are in existence, but not in Spurgin's possession, which shall be considered part of the Due Diligence Materials.

(2) Review and Approval of Due Diligence Materials. Buyer shall have fifteen (15) days following the Opening Date (the "Due Diligence Period") to inspect the Due Diligence Materials and the right to review and approve or disapprove, in its sole and subjective discretion, at Buyer's sole cost and expense, the Due Diligence Materials. Failure of Buyer to give disapproval of the Due Diligence Materials, in a writing delivered by Buyer to Seller on or before the expiration of the Due Diligence Period, shall be deemed to constitute Buyer's approval of all Due Diligence Materials. Notwithstanding anything to the contrary contained in this Agreement, Buyer hereby objects to: (i) all liens evidencing monetary encumbrances (other than liens for non-delinquent property taxes), (ii) occupancy of the Property by any third party, other than tenants under the Chase Lease and the BofA Lease without Buyer's written approval, and (iii) Seller's Service Agreements and any existing agreements relating to

the Property, including maintenance and/or services, without Buyer's written approval. Seller and Buyer acknowledge that Spurgin has provided Buyer with copies of each of the documents set forth on the "List of Delivered Documents," attached hereto as Exhibit K, which shall include Seller's Lease Agreements and Seller's Service Agreements in effect at the Opening Date.

(3) Attornment. It shall be conditions to Closing that both Bank of America, N.A. and JPMorgan Chase Bank attorn to the City as master lessor under the City Lease and to Agency in the event of termination of the City Lease by default of City, in accordance with agreements substantially in form attached hereto as Exhibit L, and provide estoppel certificates substantially in form attached hereto as Exhibit M for the benefit of the Buyer.

(4) Representations, Warranties, and Covenants of Seller. Seller shall have duly performed each and every agreement to be performed by Seller hereunder and Seller's representations, warranties, and covenants set forth in Paragraph 15 shall be true and correct in all material respects as of Closing.

(5) No Material Changes. At Closing, there shall have been no material adverse changes in the physical condition of the Property from the condition of the Property on the Opening Date.

(6) Inspections and Studies.

(a) Prior to the expiration of the Due Diligence Period, Buyer shall have approved the results of any and all inspections, investigations, tests and studies, including, without limitation, investigations with regard to zoning, building codes and other governmental regulations, architectural inspections, engineering tests, economic feasibility studies, soils, seismic and geologic reports and an American Society for Testing and Materials ("ASTM") Phase I Environmental Site Assessment ("Phase I Analysis") with respect to the Property (including all structural and mechanical systems and leased areas) as Buyer may elect to make or obtain. In the event that the consultant preparing the report for the Phase I Analysis recommends further environmental analysis or soils review through an ASTM Phase II Environmental Site Assessment ("Phase II Analysis"), the Due Diligence Period shall be extended by the amount of time necessary for Buyer's consultant to complete the report for the Phase II Analysis. The scope of any Phase II Analysis or other environmental inspection to be conducted by Buyer's environmental consultant in excess of a Phase I Analysis shall be subject to the prior written approval of Seller. Nothing herein shall authorize any subsurface testing or drilling on the Property by Buyer or its environmental consultant unless specifically provided for in the scope of work which has been approved by Seller in writing.

(b) The failure of Buyer to disapprove the results of said inspections, investigations, tests and studies in writing on or prior to the expiration of the Due Diligence Period shall be deemed to constitute Buyer's approval of the results. The cost of any such inspections, tests and studies shall be borne by Buyer. During the term of this Escrow,

Buyer, its agents, contractors and subcontractors shall have the right to enter upon the Property, at reasonable times during ordinary business hours, to make any and all inspections and tests as may be necessary or desirable in Buyer's sole judgment and discretion (including inspection of documents and records). Buyer shall use care and consideration in connection with any of its inspections. Buyer hereby indemnifies each Component Seller and each Component Seller's directors, members, officers, shareholders, employees and agents from and against any and all personal injuries, damage to the Property and mechanics' liens, arising out of any such entry by Buyer or its agents, designees, contractors, subcontractors, or representatives onto the Property and such obligation shall survive any termination of this Agreement. Notwithstanding the forgoing, Buyer has no obligation to indemnify any Component Seller and the directors, officers, shareholders, employees and agents of any Component Seller against the gross negligence or willful misconduct of such Component Seller or such Component Seller's directors, officers, shareholders, employees and agents. In conducting any inspections, tests or studies, Buyer and its authorized agents and representatives shall (a) not materially interfere with Seller's or any tenant's lawful operation, use, occupancy, and maintenance of the Property, except for normal damage incidental to studies, inspections, investigations and tests, which shall be repaired at Buyer's sole cost, (b) not damage any part of the Property or any personal property owned or held by any third party, (c) not injure or otherwise cause bodily harm to Seller or any of their respective agents, contractors and employees or any other third party, (d) promptly pay when due the cost of all inspections, tests or studies, and (e) not permit any liens to attach to the Property by reason of the exercise of their rights under this Paragraph 8a(6). Buyer shall give at least two (2) business days notice to Seller of Buyer's intent to inspect and/or conduct testing on the Property. Seller shall be provided an opportunity to have a representative of Seller present during any testing. Buyer agrees to give to Seller copies of reports, studies, investigations or other work product of third party professionals retained by Buyer in connection with Buyer's due diligence activities. Prior to entering onto the Property for the purpose of inspection, investigation and/or testing, Buyer shall provide reasonable evidence to Seller of Buyer's liability insurance with each Component Seller designated as an additional insured in an amount satisfactory to Seller.

(7) Seller's Notice of Material Adverse Changes. Seller shall have provided written notice of any material adverse changes to the Property that Seller becomes aware of during Escrow.

(8) Title Insurance. Title shall be evidenced by the willingness of the Title Company to issue its ALTA Extended Owner's Policy (2006) of Title Insurance ("Buyer's Title Policy") with liability in the amount of the Purchase Price showing title to the Property vested in Buyer subject only to the Approved Conditions of Title and the leasehold interest of the City under the City Lease. Buyer represents that it has caused an ALTA Survey of the Property to be prepared at its expense and has delivered a copy thereof to the Title Company.

(9) Termination. In the event Buyer finds the Property unsatisfactory for any reason, Buyer at its sole discretion, shall notify Seller and Escrow Holder in writing prior to expiration of the Due Diligence Period of its election to terminate the Escrow. Buyer's failure to notify Seller of its decision to terminate Escrow will be deemed to be Buyer's approval of the

Property and decision to proceed to the Closing. If Buyer elects to terminate the Escrow, then Buyer and Seller shall thereafter have no obligation to each other (except as otherwise set forth herein), Buyer will deliver to Seller a copy of all reports and studies commissioned or prepared by Buyer, and Buyer shall be entitled to the return of its deposits into Escrow, if any, except that Buyer and Seller shall each pay one-half of any Escrow cancellation fees.

b. Conditions Precedent to Seller's Obligation. For the benefit of Seller, the Close of Escrow shall be conditioned upon the occurrence and satisfaction of each of the following conditions by Buyer (or Seller's waiver thereof, it being agreed Seller may waive any or all of such conditions):

(1) Buyer's Obligations. Buyer shall have timely performed all of the obligations required by the terms of this Agreement to be performed by Buyer;

(2) Buyer's Representations. All representations and warranties made by Buyer to Seller in this Agreement shall be true and correct in all material respects as of the Close of Escrow;

(3) Delivery of First Annual Payment. Buyer shall have delivered to Escrow Holder the First Annual Payment, plus all additional costs and expenses allocated to or borne by Buyer in accordance with the terms of this Agreement;

(4) Legal Opinion. Seller shall have received a legal opinion from the City's outside counsel, Kane Ballmer & Berkman, as required by Paragraph 3 above; and

(5) Title Insurance. The validity and priority of the lien of the Agency Deed of Trust shall be evidenced by the willingness of the Title Company to issue its ALTA Extended Coverage Lender's Policy (2006) of Title Insurance ("Seller's Title Policy") with liability in the amount of the Purchase Price showing title to the Property vested in Buyer subject only to the Approved Conditions of Title and the leasehold interest of the City under the City Lease.

9. Deposits by Seller. At least three (3) business days prior to the Close of Escrow, each Component Seller shall deposit or cause to be deposited with Escrow Holder the following documents and instruments:

a. Seller's Nonforeign Affidavit. A duly executed Certificate of Nonforeign Status ("Seller's Certificate").

b. Grant Deed. The Grant Deed conveying the Property to Buyer duly executed by each Component Seller, acknowledged and in recordable form.

c. Franchise Tax Board ("FTB") Forms. Duly executed FTB Form 590 indicating that no withholding will be required and Form 593.

d. Oaks Initiative Disclosure Form. A duly executed Oaks Initiative Disclosure Form in the form attached hereto as Exhibit N, as required by Santa Monica City Charter Article XII.

e. Attornment and Estoppel. Attornment agreements and estoppels from Bank of America, N.A. and JPMorgan Chase Bank, N.A., as required by Paragraph 8a(3).

10. Deposits by Buyer. At least three (3) business days prior to the Close of Escrow, Buyer shall deposit or cause to be deposited with Escrow Holder the following documents and instruments:

a. Funds. The First Annual Payment to be applied toward the payment of the Purchase Price in the amounts and at the times designated in Paragraph 2, above, plus an amount equal to Buyer's share of all Closing Costs.

b. Six (6) Agency Notes fully executed by Agency.

c. Agency Deed of Trust fully executed and acknowledged by Agency.

d. Agency Assignment fully executed and acknowledged by Agency.

e. A fully executed copy of the City Lease.

f. Memorandum of City Lease fully executed and acknowledged by Agency and City.

g. Opinion by Special Counsel, in accordance with Paragraph 3.

11. Costs and Expenses. Escrow fees and costs shall be shared equally by Buyer and Seller. Buyer shall pay for Buyer's Title Insurance and the cost of the ALTA Survey, and Seller shall pay for Seller's Title Insurance. Buyer shall pay any transfer tax that is payable to the City of Santa Monica. Other fees and costs shall be paid by each party in accordance with standard practices in Los Angeles County. All Closing costs and expenses shall be collectively referenced herein as "Closing Costs". Each party shall be responsible for their respective legal fees and costs in connection with this transaction.

12. Prorations.

a. Rent. Rent payable under the Chase Lease and the BofA Lease, other than rent payable thereunder in the form of expenses of the Property, shall be prorated and apportioned as of 12:01 a.m. on the date of Closing, so that Seller shall have the benefit of all income with respect to the Property through and including the period preceding Closing. Seller and Buyer shall deliver a statement setting forth the rental schedule payable under the Chase Lease and the BofA Lease to Escrow Holder. Escrow Holder shall be required to calculate any prorations.

b. Treatment of Expenses. Expenses and real property taxes are the obligation of the tenants under the Chase Lease and the BofA Lease and shall not be subject to proration.

13. [Reserved]

14. Disbursements and Other Actions by Escrow Holder. Upon the Close of Escrow, the Escrow holder shall promptly undertake all of the following in the manner indicated:

a. Prorations. Prorate rent based upon the statement delivered into Escrow signed by the parties.

b. Recording. Cause the Grant Deed, Agency Deed of Trust, Agency Assignment, Memorandum of City Lease, and any other documents which the parties hereto may mutually direct, to be recorded in the Official Records of Los Angeles County, California.

c. Funds. From funds deposited by Buyer with Escrow Holder, disburse the First Annual Payment to Seller, or as directed by Seller in writing, less any items chargeable to Seller through prorations and Seller's share of Closing Costs, pay all Closing Costs, and disburse the balance of such funds, if any, to Buyer.

d. Documents to Buyer. Deliver the Seller's Certificate and Oaks Initiative Disclosure Form, executed by Seller, and, when issued, the Buyer's Title Policy, to Buyer.

e. Documents to Seller. Deliver the Agency Notes, copies of all recorded documents, the Agency Opinion, the City Lease and, when issued, the Seller's Title Policy, to Seller.

15. Seller's Representations and Warranties. In consideration of Buyer entering into this Agreement, and as an inducement to Buyer to purchase the Property, each Component Seller makes the following representations and warranties to the best of such Component Seller's knowledge, each of which is material and is being relied upon by Buyer (and the continued truth and accuracy of which shall constitute a condition precedent to Buyer's obligations hereunder). No Component Seller shall be charged with knowledge of any matter based upon the knowledge of another Component Seller and wherever a representation is stated to be made by one or more Component Seller's, none of the other Component Seller's shall be deemed to have made such representation.

a. Authorization. This Agreement has been duly and validly authorized, executed and delivered by such Component Seller, and no other action is requisite to the execution and delivery of this Agreement by such Component Seller.

b. Threatened Actions. To the actual knowledge of Spurgin and Schober, there are no actions, suits or proceedings pending against or threatened or affecting the Property in law or equity.

c. Third Party Consents. No consents or waivers of, or by, any third party are necessary to permit the consummation by such Component Seller of the transactions contemplated pursuant to this Agreement.

d. Violations of Law. Except as reflected in the documents described in Exhibit K, neither Spurgin nor Schober has actual knowledge of having received written notice of any outstanding violations, past or present, of any governmental laws, ordinances, rules, requirements or regulations of any governmental agency, body or subdivision thereof bearing on the Property which have not been cured.

e. Agreements. Except as delivered to Buyer, Spurgin and Schober have no actual knowledge of any agreements (whether oral or written or implied) affecting or relating to the right of any party with respect to the possession of the Property, or any portion thereof, which are obligations which will affect the Property or any portion thereof subsequent to the recordation of each Grant Deed.

f. Condemnation. To the actual knowledge of Spurgin and Schober, there are no pending or threatened proceedings in eminent domain or otherwise, which would affect the Property or any portion thereof.

g. Documents. To the best of Spurgin's knowledge, all documents delivered to Buyer pursuant to this Agreement are true and correct copies of originals.

h. Claims of Possessory Interests. Neither Spurgin nor Schober has actual knowledge of any claims or assertions of possessory rights in the Property by any third parties except as to the B of A Lease and the Chase Lease and any matter reflected in the Title Report.

i. Knowledge of Hazardous Materials. Neither Spurgin nor Schober has actual knowledge, except as may be disclosed in any studies delivered to, or obtained by, Buyer, of any Hazardous Materials on the Property. For purposes of this Agreement, the term "Hazardous Materials" means any substance, material or waste which is regulated as hazardous/contaminating or potentially hazardous/contaminating by the United States government, the State of California, or any local or other governmental authority, including, without limitation, any material, substance or waste which is (i) defined as a "hazardous waste," "acutely hazardous waste," "restricted hazardous waste," or "extremely hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code; (ii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code; (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code; (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code; (v) petroleum; (vi) asbestos; (vii) lead; (viii) a polychlorinated biphenyl; (ix) listed under Article 9 or defined as "hazardous" or "extremely hazardous" pursuant to Article 11 of Title 22 of the California Code of Regulations, Chapter 20; (x) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act (33 U.S.C. Section 1317); (xi) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act (42 U.S.C.

Section 6903); (xii) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601); (xiii) any other substance, whether in the form of a solid, liquid, gas or any other form whatsoever, with respect to which any governmental regulations or requirements provide for special handling in its use, transportation, generation, collection, storage, treatment or disposal; (xiv) 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; (xv) petroleum or crude oil other than petroleum and petroleum products which are contained within regularly operated motor vehicles; and (xvi) asbestos.

j. Due Diligence Reports. Spurgin has provided all information, documents, notices, correspondence, or reports in its possession relating to the physical condition of the Property.

k. No Default on Bank of America or Chase Leases. Neither Spurgin nor Schober has actual knowledge of any material defaults with respect to any terms and conditions of the BofA Lease and the Chase Lease.

The representations and warranties made by each Component Seller in this Paragraph 15 shall be continuing and shall be true and correct in all material respects as of the Close of Escrow with the same force and effect as if remade by such Component Seller in a separate certificate at that time. The truth and accuracy of the affirmative representations and warranties made herein shall survive the Close of Escrow for one year.

16. Buyer's Representations and Warranties. In consideration of Seller entering into this Agreement, and as an inducement to Seller to sell the Property to Buyer, Buyer makes the following representations and warranties, each of which is material and is being relied upon by Seller (the continued truth and accuracy of which in all material respects shall constitute a condition precedent to Seller's obligations hereunder):

a. Buyer has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder and under the Agency Note, the Agency Deed of Trust, the Agency Assignment and the City Lease. The City has all requisite power and authority to enter into and perform its obligations under the City Lease.

b. This Agreement has been, and all documents executed by Buyer and the City under this Agreement which are to be delivered to Seller at the time of Close of Escrow will be, duly authorized, executed, and delivered by Buyer and/or the City, as applicable, and is, or, as to all documents to be executed by Buyer and/or the City at the Close of Escrow, will be, legal, valid, and binding obligations of Buyer and the City, as applicable, and do not, and at the Close of Escrow will not violate any provisions of any law, agreement or judicial order to which either Buyer or the City is a party or to which it is subject.

c. Buyer's representations and warranties made in this Paragraph 16 shall be continuing and shall be true and correct as of the Close of Escrow with the same force and effect as if remade by Buyer in a separate certificate at that time. The truth and accuracy of Buyer's representations and warranties made herein shall survive the Close of Escrow for one year.

17. Reserved.

18. Condemnation Prior to Close of Escrow. Seller shall promptly notify Buyer of any knowledge by Seller of any condemnation proceeding commenced by any entity other than Buyer or the City prior to the Close of Escrow. If any such proceeding relates to, or may result in, the loss of any material portion of the Property, Buyer at its option may elect either to (i) terminate this Agreement, in which event all funds deposited into Escrow by Buyer shall be returned to Buyer and neither party shall have any further rights or obligations hereunder, except those which expressly survive the Agreement or (ii) continue the Agreement in effect, which event upon the Close of Escrow, Buyer shall be entitled to any compensation, awards, or other payments or relief resulting from such condemnation proceeding which accrue or are otherwise payable to Seller. Seller's execution of this Agreement shall be deemed an assignment of Seller's condemnation rights upon Close of Escrow.

19. Damage Prior to Close of Escrow. Seller shall promptly notify Buyer of any knowledge by Seller of casualty to the Property prior to the Close of Escrow. If any such casualty may give the tenant under either the Chase Lease or the BofA Lease a right to terminate the applicable lease, Buyer at its option may elect either to:

a. terminate this Agreement, in which event all funds deposited into Escrow by Buyer shall be returned to Buyer and neither party shall have any further rights or obligations hereunder, except those which expressly survive the termination of this Agreement, or

b. continue the Agreement in effect without a reduction in the Purchase Price, in which case Seller shall assign to Buyer all of its right to receive proceeds of insurance, if any, payable as a result of such casualty; or

c. continue the Agreement in effect, provided that Buyer and Seller can agree upon a reduction in the Purchase Price based upon the altered physical condition and commercial viability of the Property, in which case Seller shall be entitled to receive the proceeds of insurance, if any, payable as a result of such casualty.

20. Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered or sent by registered or certified mail, postage prepaid, return receipt requested, delivered, or sent by facsimile, and shall be deemed received upon the earlier of (a) if personally delivered, the date of delivery to the address of the person to receive such notice, (b) if mailed, four (4) business days after the date of posting by the United States post office, or (c) if given by facsimile, when sent. Any notice, request, demand, direction, or other communication sent by facsimile must be confirmed within forty-eight (48) hours by letter mailed or delivered in accordance with the foregoing:

To Buyer:                   Redevelopment Agency of the City of Santa Monica  
1905 Main Street, Suite D  
Santa Monica, CA 90405  
Telephone: (310) 458-2232  
Facsimile: (310) 396-6036

With a copy to:           Office of the City Attorney  
Marsha Jones Moutrie, City Attorney  
1685 Main Street  
Santa Monica, CA 90401  
Telephone: (310) 458-8336  
Facsimile: (310) 395-6727

To Seller:                   William Spurgin  
Spurgin Development  
811 W. Seventh Street, Suite 201  
Los Angeles, California 90017-3413  
Telephone: (213) 683-1520  
Facsimile: (213) 683-1630

With copies to:           Harding Larmore Kutcher & Kozal, LLP  
1250 Sixth Street, Suite 200  
Santa Monica, California 90401  
Telephone: (310) 393-1007  
Facsimile: (310) 392-3537  
Attn: Thomas R. Larmore

and

Foley & Lardner, LLP  
555 South Flower Street, 35th floor  
Los Angeles, California 90071-2411  
Telephone: (213) 972-4559  
Facsimile: (213) 486-0065  
Attn: Richard W. Lasater

and

Gibson Dunn & Crutcher, LLP  
333 South Grand Avenue,  
Los Angeles, California 90071-3197  
Telephone: (213) 229-7588  
Facsimile: (213) 229-6588  
Attn: Mark S. Pecheck

Notice of change of address shall be given by written notice in the manner detailed in this paragraph. Rejection or other refusal to accept, or the inability to deliver because of changed address of which no notice was given, shall be deemed to constitute receipt of the notice, demand, request, or communication sent.

21. Legal Fees. In the event either party brings any action or suit against the other party hereunder by reason of any breach of any of the covenants or agreements, or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then the prevailing party in such action or dispute, whether by final judgment or out of court settlement, shall be entitled to have and recover, of and from the other party, all costs and expenses of suit, including reasonable attorney's fees.

22. Assignment. Buyer shall not be entitled to assign this Agreement without the prior written consent of Seller, which consent may be withheld, conditioned or delayed in Seller's sole and absolute discretion and any attempted assignment without such prior written consent shall be void.

23. Legal and Equitable Enforcement of this Agreement.

a. Buyer's Remedies. In the event the Close of Escrow and the acquisition of the Property by Buyer does not occur for any reason other than an uncured default by Buyer, after notice and opportunity to cure pursuant to the provisions of this Agreement, including but not limited to Seller's failure to satisfy the conditions to Buyer's obligations set forth in Paragraph 8a of this Agreement, Buyer shall be entitled to the return of the First Annual Payment and its pro rata share of Closing Costs (if deposited with Escrow). In the event the Close of Escrow and the acquisition of the Property by Buyer does not occur due to an uncured default by Seller, Buyer shall have the right to pursue any remedy available to it at law or in equity, including without limitation the specific performance of this Agreement.

b. Seller's Remedies. In the event the Close of Escrow and the acquisition of the Property by Buyer does not occur due to an uncured default by Buyer, Seller shall have the right to pursue any remedy available to it at law or in equity.

24. Mutual Waiver of Consequential Damages. Buyer and Seller each hereby agree that neither shall be liable to the other for any incidental, special, punitive, indirect or consequential damages, of any kind whatsoever.

25. Miscellaneous.

a. Survival of Covenants. The covenants, representations and warranties of both Buyer and Seller set forth in this Agreement shall survive the recordation of the Grant Deed and the Close of Escrow for the period expressly set forth herein.

b. Required Actions of Buyer and Seller. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in

order to consummate the purchase and sale herein contemplated, and shall use commercially reasonable efforts to accomplish the Close of Escrow in accordance with the provisions hereof.

c. Time of Essence. Time is of the essence of each and every term, condition, obligation, and provision hereof.

d. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

e. Captions. Any captions to, or headings of, the paragraphs or subparagraphs of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

f. Broker. Buyer and Seller each represent and warrant to the other party that neither has dealt with or engaged a broker in connection with this transaction, and agrees to indemnify and save harmless the other party from and against all claims, costs, liabilities and expense (including court costs and reasonable attorneys' fees) incurred by the other party as a result of a breach of this representation, which indemnification shall survive termination of this Agreement.

g. No Obligations to Third Parties. Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the parties hereto, to any person or entity other than the parties hereto.

h. Recitals and Exhibits. The Recitals and Exhibits attached hereto are incorporated herein by this reference.

i. Amendment to this Agreement. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

j. Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

k. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

l. Fees and Other Expenses. Except as otherwise provided herein, each of the parties shall pay its own fees and expenses in connection with this Agreement.

m. Entire Agreement. This Agreement supersedes any prior agreements, negotiations, and communications, oral or written, and contain the entire agreement between Buyer and Seller as to the subject matter hereof. No subsequent agreement, representation, or

promise made by either party hereto, or by or to an employee, officer, agent or representative of either party shall be of any effect unless it is in writing and executed by the party to be bound thereby.

n. Successors and Assigns. Subject to paragraph 22, this Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

o. Severability. In the event that any provision of this Agreement or the application thereof becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable prior to Close of Escrow, the remainder of this Agreement will continue in full force and effect and the application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of such void or unenforceable provision. Notwithstanding anything to the contrary in this subparagraph (o), if the illegal, void, or unenforceable provision is a material reason for one of the party's decision to enter into the transaction contemplated herein, that party will have the option to declare the entire Agreement illegal, void, and unenforceable prior to Close of Escrow, in which event neither party shall be deemed to be in uncured default of this Agreement.

p. Days. Any reference to "days" shall mean calendar days unless otherwise specified.

26. Indemnification of Escrow Holder.

a. If this Agreement or any matter relating hereto shall become the subject of any litigation or controversy, Buyer and Seller agree, jointly and severally, to hold Escrow Holder free and harmless from any loss or expense, including attorney's fees, that may be suffered by it by reason thereof except for losses or expenses as may arise from Escrow Holder's negligent or willful misconduct. If conflicting demands are made or notices served upon Escrow Holder with respect to this Agreement, the parties expressly agree that Escrow Holder shall be entitled to file a suit in interpleader and obtain an order from the court requiring the parties to interplead and litigate their several claims and rights among themselves. Upon the filing of the action in interpleader, Escrow Holder shall be fully released and discharged from any obligations imposed upon it by this Agreement.

b. Escrow Holder shall not be liable for the sufficiency or correctness as to form, manner, execution, or validity of any instrument deposited with it, nor as to the identity, authority or rights of any person executing such instrument, nor for failure of Buyer or Seller to comply with any of the provisions of any agreement, contract or other instrument filed with Escrow Holder, or referred to herein. Escrow Holder's duties hereunder shall be limited to the safekeeping of all monies, instruments, or other documents received by it as Escrow Holder, and for their disposition in accordance with the terms of this Agreement.

27. Buyer's Cooperation for Tax-Deferred Exchange. Each Component Seller is selling the Property to Buyer pursuant to this Agreement and may elect to utilize the benefits of tax deferred methods arising under Sections and 1031 or 1033 of the Internal Revenue Code and their analogous California statutes ("Tax-Deferred Exchange"). Buyer shall reasonably cooperate in connection with such Component Seller's election to pursue a Tax-Deferred Exchange; provided, however, that (i) nothing in this Agreement shall be considered as a warranty or guarantee by Buyer of approval or acceptance of the Tax Deferred Exchange by the United States Internal Revenue Service or State Franchise Board, (ii) Buyer's cooperation shall not entail any costs or expenses to Buyer, (iii) such Component Seller hereby indemnifies and holds Buyer free and harmless from any claims against Buyer and/or such Component Seller which may arise from the Tax Deferred Exchange; and (iv) each Component Seller's election does not result in any delay to Closing. This indemnification shall survive Close of Escrow.

[SIGNATURES ON NEXT TWO PAGES]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

"Buyer"

REDEVELOPMENT AGENCY OF THE CITY OF  
SANTA MONICA, a public body corporate and  
politic

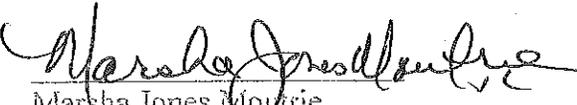
Dated 10/7/10

By   
Rod K. Gould  
Executive Director

ATTEST:

  
Maria Stewart  
City Clerk

APPROVED AS TO FORM:

  
Marsha Jones Mourie  
City Attorney

APPROVED AS TO FORM:  
KANE, BALLMER & BERKMAN

  
Murray O. Kane  
Special Counsel

“Seller”

KARL E. SCHOBER

Dated Oct. 7, 2010

Karl E. Schober

Karl E. Schober, an individual

VIRGINIA TEGNER SPURGIN INVESTMENT  
CO., LLC, a California limited liability company

Dated \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Manager

BOYS' AND GIRLS' CLUB OF SANTA  
MONICA, INC., a California non-profit public  
benefit corporation

Dated \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

SHRINERS HOSPITALS FOR CHILDREN, a  
Colorado non-profit corporation

Dated \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**"Seller"**

KARL E. SCHOBER

Dated \_\_\_\_\_

\_\_\_\_\_  
Karl E. Schober, an individual

VIRGINIA TEGNER SPURGIN INVESTMENT  
CO., LLC, a California limited liability company

Dated \_\_\_\_\_

By: William A. Spurgin  
Name: William A. SPURGIN  
Manager

BOYS' AND GIRLS' CLUB OF SANTA  
MONICA, INC., a California non-profit public  
benefit corporation

Dated \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHRINERS HOSPITALS FOR CHILDREN, a  
Colorado non-profit corporation

Dated \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**"Seller"**

KARL E. SCHOBER

Dated \_\_\_\_\_

\_\_\_\_\_  
Karl E. Schober, an individual

VIRGINIA TEGNER SPURGIN INVESTMENT  
CO., LLC, a California limited liability company

Dated \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Manager

BOYS' AND GIRLS' CLUB OF SANTA  
MONICA, INC., a California non-profit public  
benefit corporation

Dated \_\_\_\_\_

By: MARTIN W. PERNOTT  
Name: MARTIN W. PERNOTT  
Title: CHAIRMAN, BOARD OF GOVERNORS

SHRINERS HOSPITALS FOR CHILDREN, a  
Colorado non-profit corporation

Dated \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Attached to Agreement of Purchase and Sale and Joint Escrow Instructions  
Escrow No. NCS-420893-LA2

“Seller”

KARL E. SCHOBER

Dated \_\_\_\_\_

\_\_\_\_\_  
Karl E. Schober, an individual

VIRGINIA TEGNER SPURGIN INVESTMENT  
CO., LLC, a California limited liability company

Dated \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Manager

BOYS' AND GIRLS' CLUB OF SANTA  
MONICA, INC., a California non-profit public  
benefit corporation

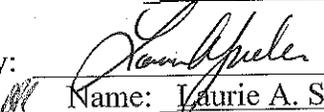
Dated \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHRINERS HOSPITALS FOR CHILDREN, a  
Colorado non-profit corporation

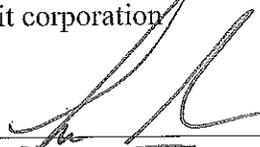
Dated 10-26-10

By:   
Name: Keith Gardner  
Title: Executive Vice President

By:   
Name: Laurie A. Spieler  
Title: Vice President, Legal

SANTA MONICA YOUNG MEN'S CHRISTIAN  
ASSOCIATION, a California non-profit public  
benefit corporation

Dated 10/7/10

By:   
Name: Tara Bmposini  
Title: CEO

YWCA SANTA MONICA/WESTSIDE, a  
California non-profit public benefit corporation

Dated \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SANTA MONICA YOUNG MEN'S CHRISTIAN  
ASSOCIATION, a California non-profit public  
benefit corporation

Dated \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

YWCA SANTA MONICA/WESTSIDE, a  
California non-profit public benefit corporation

Dated 8 OCT 10

By: 

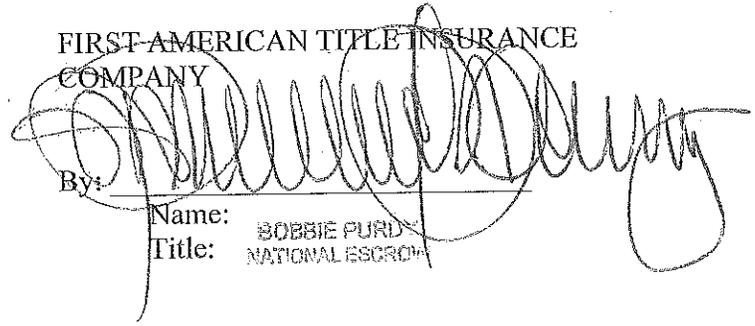
Name: JULIA B. MIELE

Title: EXECUTIVE DIRECTOR

Acceptance by Escrow Holder:

First American Title Insurance Company hereby acknowledges that it has received a fully executed counterpart of the foregoing Agreement of Purchase and Sale and Joint Escrow Instructions and agrees to act as Escrow Holder thereunder and to be bound by and perform the terms thereof as such terms apply to Escrow.

Dated: 10/13/2010

FIRST-AMERICAN TITLE INSURANCE  
COMPANY  
By:   
Name: BOBBIE PURDY  
Title: NATIONAL ESCROW