

EXHIBITS D1-D6

FORM OF AGENCY NOTES

[behind this page]

COPY

PROMISSORY NOTE
SECURED BY DEED OF TRUST AND ASSIGNMENT OF RENTS

6.82%
\$18,416,666.66

Santa Monica, California
November 1, 2010

FOR VALUE RECEIVED, REDEVELOPMENT AGENCY OF THE CITY OF SANTA MONICA, a public body, corporate and politic ("Payor"), hereby promises to pay to the order of VIRGINIA TEGNER SPURGIN INVESTMENT COMPANY, LLC, a California limited liability company, as to an undivided 1/3 interest and an undivided 30% of an undivided 1/3 interest ("Payee"), the principal amount of EIGHTEEN MILLION FOUR HUNDRED SIXTEEN THOUSAND SIX HUNDRED SIXTY SIX DOLLARS AND 66/100 CENTS (\$18,416,666.66). Payor shall pay interest at the rate, in the amounts and at the times hereinafter provided.

1. Payment Address. This Note is payable at the office of First Private Bank & Trust, a California corporation, as agent for the holder from time to time of this Note, located at 16000 Ventura Boulevard, Encino, California 91436, or its successor (the "Agent"), or at such other place as the holder hereof may inform Payor in writing, in lawful money of the United States of America through wire transfer of immediately available funds.

2. Security Documents. The indebtedness evidenced by this Note is secured by (a) that certain Deed of Trust, Security Agreement and Fixture Filing of even date herewith from Payor, as Trustor, to First American Title Insurance Company, as Trustee, for the benefit of the Agent, as agent for the holder from time to time of this Note (the "Deed of Trust") covering certain real property located in the City of Santa Monica and described in Exhibit A to the Deed of Trust (the "Property"), and (b) that certain Assignment of Leases and Rents of even date herewith executed by Payor, as Assignor, to the Agent, as agent for the holder from time to time of this Note, as Assignee (the "Assignment"). In the event Payor exercises its rights to defease the lien of the Deed of Trust and the Assignment and obtain a reconveyance of the Deed of Trust and a release of the Assignment, as provided therein, the indebtedness evidenced by this Note shall be secured by the Defeasance Pledge Agreement, as defined in the Deed of Trust (the "Pledge Agreement").

3. Interest. This Note shall accrue simple interest at the rate of six and eighty-two one-hundredths percent (6.82%) per annum on the outstanding principal balance from time to time, from the date hereof, as provided in Section 4 below.

4. Payment Schedule. The indebtedness evidenced by this Note shall be paid in annual installments, until the calendar year 2042. The first annual payment shall be paid to the Agent, for the benefit of Payee, on the date hereof in the amount of \$114,926.76 (the "First Annual Payment"), all of which shall be applied to the payment of principal. The remaining annual payments for calendar years 2011 through 2042 shall be made on the first (1st) day of January in each year in accordance with the Payment Schedule attached hereto as Exhibit "A" and incorporated herein by this reference. All payments made hereunder shall be applied first to

any amounts due and owing under the Deed of Trust or the Assignment, then to accrued and unpaid interest and then to principal. On January 1, 2042 (the "Maturity Date"), the entire outstanding principal balance, plus accrued and unpaid interest and all other amounts owing under the Deed of Trust and the Assignment, shall be due and payable.

5. Prepayment. Payor shall have no right to prepay a portion or all of the sum due under this Note without the prior written consent of Payee, which approval may be withheld in Payee's sole and absolute discretion. If the outstanding principal balance hereunder is accelerated by Payee as a result of an Event of Default, Payor agrees to pay, in addition to all other amounts due hereunder and under any documents securing the indebtedness evidenced by this Note, an amount determined by subtracting such outstanding principal balance from the aggregate of the present values of each remaining annual payment due hereunder using as the discounting rate of interest for each such payment, the then-current yield of a United States Treasury Bill, Bond, or Note maturing on the date of such payment. If no such Treasury Bill, Bond, or Note has the same maturity date as any annual payment, the present value of such payment shall be determined through interpolation. If more than one such instrument matures on such payment date, that instrument having the highest current yield shall be used. If the outstanding principal balance hereunder at such time equals or exceeds such aggregate present values, no additional amount will be due under the preceding sentence.

6. Defeasance. The Buyer shall have the right to obtain a full reconveyance of the Deed of Trust and a release of the Assignment (referred to herein for simplicity purposes as a "defeasance") on the terms and conditions set forth in Section 2.4 of the Deed of Trust.

7. Event of Default. An Event of Default shall exist under this Note if (a) Payor fails to make any annual payment due on January 1 of any year by January 15 of such year and such failure continues uncured for a period of thirty (30) days after Notice from the Agent to Payor, the City of Santa Monica ("City"), and any lenders to the City and/or any sublessees under the City Lease for development of the Property ("Lender(s)") which have specifically requested Notice, in writing, from the Agent and provided an address to which such notices are to be sent; or (b) an Event of Default occurs under the Deed of Trust or the Assignment. At any time an Event of Default has occurred and is continuing, the interest rate shall be increased by five percent (5%) per annum beginning on the date the Event of Default occurred and continuing until the Event of Default has been cured, up to maximum interest rate of twelve (12) percent per annum. If an Event of Default occurs resulting from the failure to make any annual payment due hereunder within the stated grace period, Payor shall pay a late charge in an amount equal to one percent (1%) of the amount of such payment, not as a penalty but as liquidated damages. Payor agrees that the actual damages suffered by Payee resulting from the failure of Payor to make timely payment are impossible to determine at this time but that such amount represents a fair and reasonable estimate thereof.

8. Rights of City or Lender to Cure an Event of Default. Any Notice from the Agent to Payor under this Note shall be simultaneously served upon City and any Lender who has specifically requested Notice, in writing, from the Agent and provided an address to which such notices are to be sent, and Payee and the Agent shall provide City and any noticed Lender(s) with the same rights to cure as Payor under this Note. Any cure provided by City or any Lender(s)

shall be accepted by Payee and the Agent as if made by Payor. Nothing herein shall be interpreted to require City or any Lender(s) to assume any obligations of Payor under this Note.

9. Remedies. Upon the occurrence of an Event of Default described in Section 7(a) above, or upon the occurrence of a material Event of Default under Section 7(b), Payee shall, either directly or through the Agent, be entitled to accelerate the Maturity Date and declare the entire outstanding principal balance, along with all accrued and unpaid interest and other amounts due and owing hereunder and under all documents securing the indebtedness evidenced by this Note, to be immediately due and payable, and to exercise all remedies available thereunder.

10. Costs and Expenses of Enforcement. Payor agrees to pay to the Agent on demand all direct costs and direct expenses, excluding overhead and profit, incurred by the Agent and Payee in seeking to collect this Note or to enforce any of the Agent's or Payee's rights and remedies after an Event of Default, including court costs and reasonable attorneys' fees and expenses, whether or not suit is filed, or whether in connection with bankruptcy, insolvency or appeal.

11. Non-Recourse Obligation.

(a) Payee agrees that the assets and property available to it to collect the principal and interest and other amounts due under this Note shall be limited to the collateral covered by the Deed of Trust and the Assignment and the proceeds thereof, or, following a defeasance, the collateral covered by the Pledge Agreement and the proceeds thereof, and no other asset of Payor shall be seized or attached to satisfy any monetary judgment rendered under this Note.

(b) Nothing in Section 11(a) shall release or impair the Note, the Deed of Trust, the Assignment, the Pledge Agreement or any other document or any collateral now or hereafter given for this Note, nor shall it prevent Payee or the Agent from exercising any right or remedy available to it thereunder or under applicable law except as expressly set forth in Section 11(a).

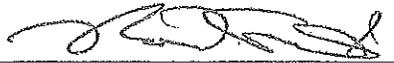
12. Notices. All notices or other communications required or permitted hereunder shall be provided in accordance with the Deed of Trust.

13. Rights Held Invalid. If the rights created by this Note shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the obligations described herein, the remaining obligations must be completely performed and paid.

14. General Provisions. Time is of the essence with respect to Payor's obligations under this Note. Captions and headings in this Note are for convenience only and shall be disregarded in construing it. This Note and its validity, enforcement and interpretation shall be governed by the laws of the State of California (without regard to any principles of conflicts of laws) and applicable United States federal law. The words "include" and "including" shall be interpreted as if followed by the words "without limitation."

IN WITNESS WHEREOF, Payor has executed this Note as of the day and year set forth above.

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

By: 
Rod Gould
Executive Director

ATTEST:


Maria Stewart
City Clerk / Agency Secretary
ms

APPROVED AS TO FORM:


Marsha Jones Moutrie
City Attorney / Agency General Counsel
mjm

APPROVED AS TO FORM:
KANE, BALLMER & BERKMAN


Murray O. Kane
Special Counsel

Exhibit A
Payment Schedule

Payment Schedule for
Virginia Tegner Spurgin Investment Company, LLC
Pro Rata Share of 100% (43 1/3%)

| | Principal | Interest | Total Payments |
|------------|--------------|--------------|-------------------|
| 11/01/2010 | 114,926.76 | - | 114,926.76 |
| 01/01/2011 | 505,593.12 | 208,534.72 | 714,127.84 |
| 01/01/2012 | - | 735,551.68 | 735,551.68 |
| 01/01/2013 | - | 1,429,989.00 | 1,429,989.00 |
| 01/01/2014 | - | 1,429,989.00 | 1,429,989.00 |
| 01/01/2015 | 113,032.68 | 1,316,956.32 | 1,429,989.00 |
| 01/01/2016 | 224,376.74 | 1,205,612.26 | 1,429,989.00 |
| 01/01/2017 | 239,674.58 | 1,190,314.42 | 1,429,989.00 |
| 01/01/2018 | 256,015.42 | 1,173,973.58 | 1,429,989.00 |
| 01/01/2019 | 273,470.37 | 1,156,518.63 | 1,429,989.00 |
| 01/01/2020 | 292,115.38 | 1,137,873.62 | 1,429,989.00 |
| 01/01/2021 | 312,031.59 | 1,117,957.41 | 1,429,989.00 |
| 01/01/2022 | 333,305.68 | 1,096,683.32 | 1,429,989.00 |
| 01/01/2023 | 356,030.22 | 1,073,958.78 | 1,429,989.00 |
| 01/01/2024 | 380,304.10 | 1,049,684.90 | 1,429,989.00 |
| 01/01/2025 | 406,232.96 | 1,023,756.04 | 1,429,989.00 |
| 01/01/2026 | 433,929.63 | 996,059.37 | 1,429,989.00 |
| 01/01/2027 | 463,514.64 | 966,474.36 | 1,429,989.00 |
| 01/01/2028 | 495,116.73 | 934,872.27 | 1,429,989.00 |
| 01/01/2029 | 528,873.43 | 901,115.57 | 1,429,989.00 |
| 01/01/2030 | 608,264.64 | 865,057.36 | 1,473,322.00 |
| 01/01/2031 | 649,735.68 | 823,586.32 | 1,473,322.00 |
| 01/01/2032 | 694,034.19 | 779,287.81 | 1,473,322.00 |
| 01/01/2033 | 741,352.94 | 731,969.06 | 1,473,322.00 |
| 01/01/2034 | 791,897.85 | 681,424.15 | 1,473,322.00 |
| 01/01/2035 | 889,221.87 | 627,433.13 | 1,516,655.00 |
| 01/01/2036 | 949,848.37 | 566,806.63 | 1,516,655.00 |
| 01/01/2037 | 1,014,608.35 | 502,046.65 | 1,516,655.00 |
| 01/01/2038 | 1,083,783.61 | 432,871.39 | 1,516,655.00 |
| 01/01/2039 | 1,157,675.19 | 358,979.81 | 1,516,655.00 |
| 01/01/2040 | 1,279,937.65 | 280,050.35 | 1,559,988.00 |
| 01/01/2041 | 1,367,202.87 | 192,785.13 | 1,559,988.00 |
| 01/01/2042 | 1,460,417.77 | 99,570.23 | 1,559,988.00 |

COPY

PROMISSORY NOTE
SECURED BY DEED OF TRUST AND ASSIGNMENT OF RENTS

6.82%
\$14,166,666.66

Santa Monica, California
November 1, 2010

FOR VALUE RECEIVED, REDEVELOPMENT AGENCY OF THE CITY OF SANTA MONICA, a public body, corporate and politic ("Payor"), hereby promises to pay to the order of KARL E. SCHOBBER, as to an undivided 1/3 interest ("Payee"), the principal amount of FOURTEEN MILLION ONE HUNDRED SIXTY SIX THOUSAND SIX HUNDRED SIXTY SIX DOLLARS AND 66/100 CENTS (\$14,166,666.66). Payor shall pay interest at the rate, in the amounts and at the times hereinafter provided.

1. Payment Address. This Note is payable at the office of First Private Bank & Trust, a California corporation, as agent for the holder from time to time of this Note, located at 16000 Ventura Boulevard, Encino, California 91436, or its successor (the "Agent"), or at such other place as the holder hereof may inform Payor in writing, in lawful money of the United States of America through wire transfer of immediately available funds.

2. Security Documents. The indebtedness evidenced by this Note is secured by (a) that certain Deed of Trust, Security Agreement and Fixture Filing of even date herewith from Payor, as Trustor, to First American Title Insurance Company, as Trustee, for the benefit of the Agent, as agent for the holder from time to time of this Note (the "Deed of Trust") covering certain real property located in the City of Santa Monica and described in Exhibit A to the Deed of Trust (the "Property"), and (b) that certain Assignment of Leases and Rents of even date herewith executed by Payor, as Assignor, to the Agent, as agent for the holder from time to time of this Note, as Assignee (the "Assignment"). In the event Payor exercises its rights to defease the lien of the Deed of Trust and the Assignment and obtain a reconveyance of the Deed of Trust and a release of the Assignment, as provided therein, the indebtedness evidenced by this Note shall be secured by the Defeasance Pledge Agreement, as defined in the Deed of Trust (the "Pledge Agreement").

3. Interest. This Note shall accrue simple interest at the rate of six and eighty-two one-hundredths percent (6.82%) per annum on the outstanding principal balance from time to time, from the date hereof, as provided in Section 4 below.

4. Payment Schedule. The indebtedness evidenced by this Note shall be paid in annual installments, until the calendar year 2042. The first annual payment shall be paid to the Agent, for the benefit of Payee, on the date hereof in the amount of \$88,404.99 (the "First Annual Payment"), all of which shall be applied to the payment of principal. The remaining annual payments for calendar years 2011 through 2042 shall be made on the first (1st) day of January in each year in accordance with the Payment Schedule attached hereto as Exhibit "A" and incorporated herein by this reference. All payments made hereunder shall be applied first to any amounts due and owing under the Deed of Trust or the Assignment, then to accrued and unpaid interest and then to principal. On January 1, 2042 (the "Maturity Date"), the entire

outstanding principal balance, plus accrued and unpaid interest and all other amounts owing under the Deed of Trust and the Assignment, shall be due and payable.

5. Prepayment. Payor shall have no right to prepay a portion or all of the sum due under this Note without the prior written consent of Payee, which approval may be withheld in Payee's sole and absolute discretion. If the outstanding principal balance hereunder is accelerated by Payee as a result of an Event of Default, Payor agrees to pay, in addition to all other amounts due hereunder and under any documents securing the indebtedness evidenced by this Note, an amount determined by subtracting such outstanding principal balance from the aggregate of the present values of each remaining annual payment due hereunder using as the discounting rate of interest for each such payment, the then-current yield of a United States Treasury Bill, Bond, or Note maturing on the date of such payment. If no such Treasury Bill, Bond, or Note has the same maturity date as any annual payment, the present value of such payment shall be determined through interpolation. If more than one such instrument matures on such payment date, that instrument having the highest current yield shall be used. If the outstanding principal balance hereunder at such time equals or exceeds such aggregate present values, no additional amount will be due under the preceding sentence.

6. Defeasance. The Buyer shall have the right to obtain a full reconveyance of the Deed of Trust and a release of the Assignment (referred to herein for simplicity purposes as a "defeasance") on the terms and conditions set forth in Section 2.4 of the Deed of Trust.

7. Event of Default. An Event of Default shall exist under this Note if (a) Payor fails to make any annual payment due on January 1 of any year by January 15 of such year and such failure continues uncured for a period of thirty (30) days after Notice from the Agent to Payor, the City of Santa Monica ("City"), and any lenders to the City and/or any sublessees under the City Lease for development of the Property ("Lender(s)") which have specifically requested Notice, in writing, from the Agent and provided an address to which such notices are to be sent; or (b) an Event of Default occurs under the Deed of Trust or the Assignment. At any time an Event of Default has occurred and is continuing, the interest rate shall be increased by five percent (5%) per annum beginning on the date the Event of Default occurred and continuing until the Event of Default has been cured, up to maximum interest rate of twelve (12) percent per annum. If an Event of Default occurs resulting from the failure to make any annual payment due hereunder within the stated grace period, Payor shall pay a late charge in an amount equal to one percent (1%) of the amount of such payment, not as a penalty but as liquidated damages. Payor agrees that the actual damages suffered by Payee resulting from the failure of Payor to make timely payment are impossible to determine at this time but that such amount represents a fair and reasonable estimate thereof.

8. Rights of City or Lender to Cure an Event of Default. Any Notice from the Agent to Payor under this Note shall be simultaneously served upon City and any Lender who has specifically requested Notice, in writing, from the Agent and provided an address to which such notices are to be sent, and Payee and the Agent shall provide City and any noticed Lender(s) with the same rights to cure as Payor under this Note. Any cure provided by City or any Lender(s) shall be accepted by Payee and the Agent as if made by Payor. Nothing herein shall be interpreted to require City or any Lender(s) to assume any obligations of Payor under this Note.

9. Remedies. Upon the occurrence of an Event of Default described in Section 7(a) above, or upon the occurrence of a material Event of Default under Section 7(b), Payee shall, either directly or through the Agent, be entitled to accelerate the Maturity Date and declare the entire outstanding principal balance, along with all accrued and unpaid interest and other amounts due and owing hereunder and under all documents securing the indebtedness evidenced by this Note, to be immediately due and payable, and to exercise all remedies available thereunder.

10. Costs and Expenses of Enforcement. Payor agrees to pay to the Agent on demand all direct costs and direct expenses, excluding overhead and profit, incurred by the Agent and Payee in seeking to collect this Note or to enforce any of the Agent's or Payee's rights and remedies after an Event of Default, including court costs and reasonable attorneys' fees and expenses, whether or not suit is filed, or whether in connection with bankruptcy, insolvency or appeal.

11. Non-Recourse Obligation.

(a) Payee agrees that the assets and property available to it to collect the principal and interest and other amounts due under this Note shall be limited to the collateral covered by the Deed of Trust and the Assignment and the proceeds thereof, or, following a defeasance, the collateral covered by the Pledge Agreement and the proceeds thereof, and no other asset of Payor shall be seized or attached to satisfy any monetary judgment rendered under this Note.

(b) Nothing in Section 11(a) shall release or impair the Note, the Deed of Trust, the Assignment, the Pledge Agreement or any other document or any collateral now or hereafter given for this Note, nor shall it prevent Payee or the Agent from exercising any right or remedy available to it thereunder or under applicable law except as expressly set forth in Section 11(a).

12. Notices. All notices or other communications required or permitted hereunder shall be provided in accordance with the Deed of Trust.

13. Rights Held Invalid. If the rights created by this Note shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the obligations described herein, the remaining obligations must be completely performed and paid.

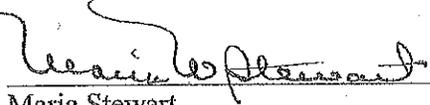
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IN WITNESS WHEREOF, Payor has executed this Note as of the day and year set forth above.

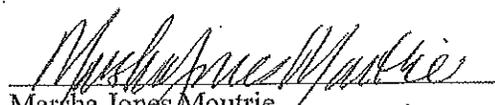
REDEVELOPMENT AGENCY OF THE
CITY OF SANTA MONICA, a public body
corporate and politic

By: 
Rod Gould
Executive Director

ATTEST:


Maria Stewart
City Clerk/Agency Secretary
ms

APPROVED AS TO FORM:


Marsha Jones Moutrie
City Attorney/Agency General Counsel
mjm

APPROVED AS TO FORM:
KANE, BALLMER & BERKMAN

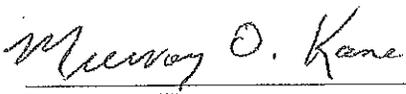

Murray O. Kane
Special Counsel

Exhibit A
Payment Schedule

Payment Schedule for
Karl E. Schober
Pro Rata Share of 100% (33 1/3%)

| | Principal | Interest | Total Payments |
|------------|--------------|--------------|-------------------|
| 11/01/2010 | 88,404.99 | - | 88,404.99 |
| 01/01/2011 | 388,916.89 | 160,410.95 | 549,327.84 |
| 01/01/2012 | - | 565,807.68 | 565,807.68 |
| 01/01/2013 | - | 1,099,989.00 | 1,099,989.00 |
| 01/01/2014 | - | 1,099,989.00 | 1,099,989.00 |
| 01/01/2015 | 86,948.01 | 1,013,040.99 | 1,099,989.00 |
| 01/01/2016 | 172,597.09 | 927,391.91 | 1,099,989.00 |
| 01/01/2017 | 184,364.64 | 915,624.36 | 1,099,989.00 |
| 01/01/2018 | 196,934.48 | 903,054.52 | 1,099,989.00 |
| 01/01/2019 | 210,361.33 | 889,627.67 | 1,099,989.00 |
| 01/01/2020 | 224,703.62 | 875,285.38 | 1,099,989.00 |
| 01/01/2021 | 240,023.75 | 859,965.25 | 1,099,989.00 |
| 01/01/2022 | 256,388.39 | 843,600.61 | 1,099,989.00 |
| 01/01/2023 | 273,868.77 | 826,120.23 | 1,099,989.00 |
| 01/01/2024 | 292,540.94 | 807,448.06 | 1,099,989.00 |
| 01/01/2025 | 312,486.17 | 787,502.83 | 1,099,989.00 |
| 01/01/2026 | 333,791.25 | 766,197.75 | 1,099,989.00 |
| 01/01/2027 | 356,548.90 | 743,440.10 | 1,099,989.00 |
| 01/01/2028 | 380,858.15 | 719,130.85 | 1,099,989.00 |
| 01/01/2029 | 406,824.78 | 693,164.22 | 1,099,989.00 |
| 01/01/2030 | 467,894.80 | 665,427.20 | 1,133,322.00 |
| 01/01/2031 | 499,795.53 | 633,526.47 | 1,133,322.00 |
| 01/01/2032 | 533,871.22 | 599,450.78 | 1,133,322.00 |
| 01/01/2033 | 570,270.18 | 563,051.82 | 1,133,322.00 |
| 01/01/2034 | 609,150.78 | 524,171.22 | 1,133,322.00 |
| 01/01/2035 | 684,015.24 | 482,639.76 | 1,166,655.00 |
| 01/01/2036 | 730,650.91 | 436,004.09 | 1,166,655.00 |
| 01/01/2037 | 780,466.16 | 386,188.84 | 1,166,655.00 |
| 01/01/2038 | 833,677.78 | 332,977.22 | 1,166,655.00 |
| 01/01/2039 | 890,517.32 | 276,137.68 | 1,166,655.00 |
| 01/01/2040 | 984,565.15 | 215,422.85 | 1,199,988.00 |
| 01/01/2041 | 1,051,692.09 | 148,295.91 | 1,199,988.00 |
| 01/01/2042 | 1,123,395.69 | 76,592.31 | 1,199,988.00 |

COPY

PROMISSORY NOTE
SECURED BY DEED OF TRUST AND ASSIGNMENT OF RENTS

6.82%
\$4,250,000.00

Santa Monica, California
November 1, 2010

FOR VALUE RECEIVED, REDEVELOPMENT AGENCY OF THE CITY OF SANTA MONICA, a public body, corporate and politic ("Payor"), hereby promises to pay to the order of SHRINERS HOSPITALS FOR CHILDREN, a Colorado non-profit corporation, as to an undivided 30% interest of an undivided 1/3 interest ("Payee"), the principal amount of, FOUR MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS AND 00/100 CENTS (\$4,250,000.00). Payor shall pay interest at the rate, in the amounts and at the times hereinafter provided.

1. Payment Address. This Note is payable at the office of First Private Bank & Trust, a California corporation, as agent for the holder from time to time of this Note, located at 16000 Ventura Boulevard, Encino, California 91436, or its successor (the "Agent"), or at such other place as the holder hereof may inform Payor in writing, in lawful money of the United States of America through wire transfer of immediately available funds.

2. Security Documents. The indebtedness evidenced by this Note is secured by (a) that certain Deed of Trust, Security Agreement and Fixture Filing of even date herewith from Payor, as Trustor, to First American Title Insurance Company, as Trustee, for the benefit of the Agent, as agent for the holder from time to time of this Note (the "Deed of Trust") covering certain real property located in the City of Santa Monica and described in Exhibit A to the Deed of Trust (the "Property"), and (b) that certain Assignment of Leases and Rents of even date herewith executed by Payor, as Assignor, to the Agent, as agent for the holder from time to time of this Note, as Assignee (the "Assignment"). In the event Payor exercises its rights to defease the lien of the Deed of Trust and the Assignment and obtain a reconveyance of the Deed of Trust and a release of the Assignment, as provided therein, the indebtedness evidenced by this Note shall be secured by the Defeasance Pledge Agreement, as defined in the Deed of Trust (the "Pledge Agreement").

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4. Payment Schedule. The indebtedness evidenced by this Note shall be paid in annual installments, until the calendar year 2042. The first annual payment shall be paid to the Agent, for the benefit of Payee, on the date hereof in the amount of \$26,521.76 (the "First Annual Payment"), all of which shall be applied to the payment of principal. The remaining annual payments for calendar years 2011 through 2042 shall be made on the first (1st) day of January in each year in accordance with the Payment Schedule attached hereto as Exhibit "A" and incorporated herein by this reference. All payments made hereunder shall be applied first to any amounts due and owing under the Deed of Trust or the Assignment, then to accrued and

unpaid interest and then to principal. On January 1, 2042 (the "Maturity Date"), the entire outstanding principal balance, plus accrued and unpaid interest and all other amounts owing under the Deed of Trust and the Assignment, shall be due and payable.

5. Prepayment. Payor shall have no right to prepay a portion or all of the sum due under this Note without the prior written consent of Payee, which approval may be withheld in Payee's sole and absolute discretion. If the outstanding principal balance hereunder is accelerated by Payee as a result of an Event of Default, Payor agrees to pay, in addition to all other amounts due hereunder and under any documents securing the indebtedness evidenced by this Note, an amount determined by subtracting such outstanding principal balance from the aggregate of the present values of each remaining annual payment due hereunder using as the discounting rate of interest for each such payment, the then-current yield of a United States Treasury Bill, Bond, or Note maturing on the date of such payment. If no such Treasury Bill, Bond, or Note has the same maturity date as any annual payment, the present value of such payment shall be determined through interpolation. If more than one such instrument matures on such payment date, that instrument having the highest current yield shall be used. If the outstanding principal balance hereunder at such time equals or exceeds such aggregate present values, no additional amount will be due under the preceding sentence.

6. Defeasance. The Buyer shall have the right to obtain a full reconveyance of the Deed of Trust and a release of the Assignment (referred to herein for simplicity purposes as a "defeasance") on the terms and conditions set forth in Section 2.4 of the Deed of Trust.

7. Event of Default. An Event of Default shall exist under this Note if (a) Payor fails to make any annual payment due on January 1 of any year by January 15 of such year and such failure continues uncured for a period of thirty (30) days after Notice from the Agent to Payor, the City of Santa Monica ("City"), and any lenders to the City and/or any sublessees under the City Lease for development of the Property ("Lender(s)") which have specifically requested Notice, in writing, from the Agent and provided an address to which such notices are to be sent; or (b) an Event of Default occurs under the Deed of Trust or the Assignment. At any time an Event of Default has occurred and is continuing, the interest rate shall be increased by five percent (5%) per annum beginning on the date the Event of Default occurred and continuing until the Event of Default has been cured, up to maximum interest rate of twelve (12) percent per annum. If an Event of Default occurs resulting from the failure to make any annual payment due hereunder within the stated grace period, Payor shall pay a late charge in an amount equal to one percent (1%) of the amount of such payment, not as a penalty but as liquidated damages. Payor agrees that the actual damages suffered by Payee resulting from the failure of Payor to make timely payment are impossible to determine at this time but that such amount represents a fair and reasonable estimate thereof.

8. Rights of City or Lender to Cure an Event of Default. Any Notice from the Agent to Payor under this Note shall be simultaneously served upon City and any Lender who has specifically requested Notice, in writing, from the Agent and provided an address to which such notices are to be sent, and Payee and the Agent shall provide City and any noticed Lender(s) with the same rights to cure as Payor under this Note. Any cure provided by City or any Lender(s)

shall be accepted by Payee and the Agent as if made by Payor. Nothing herein shall be interpreted to require City or any Lender(s) to assume any obligations of Payor under this Note.

9. Remedies. Upon the occurrence of an Event of Default described in Section 7(a) above, or upon the occurrence of a material Event of Default under Section 7(b), Payee shall, either directly or through the Agent, be entitled to accelerate the Maturity Date and declare the entire outstanding principal balance, along with all accrued and unpaid interest and other amounts due and owing hereunder and under all documents securing the indebtedness evidenced by this Note, to be immediately due and payable, and to exercise all remedies available thereunder.

10. Costs and Expenses of Enforcement. Payor agrees to pay to the Agent on demand all direct costs and direct expenses, excluding overhead and profit, incurred by the Agent and Payee in seeking to collect this Note or to enforce any of the Agent's or Payee's rights and remedies after an Event of Default, including court costs and reasonable attorneys' fees and expenses, whether or not suit is filed, or whether in connection with bankruptcy, insolvency or appeal.

11. Non-Recourse Obligation.

(a) Payee agrees that the assets and property available to it to collect the principal and interest and other amounts due under this Note shall be limited to the collateral covered by the Deed of Trust and the Assignment and the proceeds thereof, or, following a defeasance, the collateral covered by the Pledge Agreement and the proceeds thereof, and no other asset of Payor shall be seized or attached to satisfy any monetary judgment rendered under this Note.

(b) Nothing in Section 11(a) shall release or impair the Note, the Deed of Trust, the Assignment, the Pledge Agreement or any other document or any collateral now or hereafter given for this Note, nor shall it prevent Payee or the Agent from exercising any right or remedy available to it thereunder or under applicable law except as expressly set forth in Section 11(a).

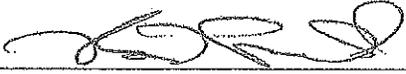
12. Notices. All notices or other communications required or permitted hereunder shall be provided in accordance with the Deed of Trust.

13. Rights Held Invalid. If the rights created by this Note shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the obligations described herein, the remaining obligations must be completely performed and paid.

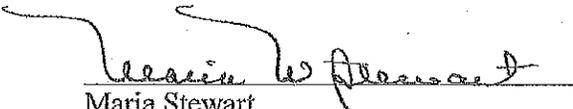
14. General Provisions. Time is of the essence with respect to Payor's obligations under this Note. Captions and headings in this Note are for convenience only and shall be disregarded in construing it. This Note and its validity, enforcement and interpretation shall be governed by the laws of the State of California (without regard to any principles of conflicts of laws) and applicable United States federal law. The words "include" and "including" shall be interpreted as if followed by the words "without limitation."

IN WITNESS WHEREOF, Payor has executed this Note as of the day and year set forth above.

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

By: 
Rod Gould
Executive Director

ATTEST:


Maria Stewart
City Clerk / Agency Secretary

APPROVED AS TO FORM:


Marsha Jones Moutrie
City Attorney / Agency General Counsel

APPROVED AS TO FORM:
KANE, BALLMER & BERKMAN

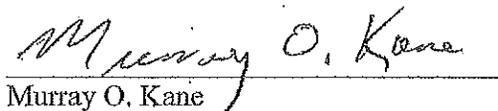

Murray O. Kane
Special Counsel

Exhibit A
Payment Schedule

Payment Schedule for
Shriners Hospitals for Children
Pro Rata Share of 100% (10%)

| | Principal | Interest | Total Payments |
|------------|------------|------------|-------------------|
| 11/01/2010 | 26,521.76 | - | 26,521.76 |
| 01/01/2011 | 116,676.23 | 48,123.77 | 164,800.00 |
| 01/01/2012 | - | 169,744.00 | 169,744.00 |
| 01/01/2013 | - | 330,000.00 | 330,000.00 |
| 01/01/2014 | - | 330,000.00 | 330,000.00 |
| 01/01/2015 | 26,084.66 | 303,915.34 | 330,000.00 |
| 01/01/2016 | 51,779.65 | 278,220.35 | 330,000.00 |
| 01/01/2017 | 55,309.94 | 274,690.06 | 330,000.00 |
| 01/01/2018 | 59,080.94 | 270,919.06 | 330,000.00 |
| 01/01/2019 | 63,109.03 | 266,890.97 | 330,000.00 |
| 01/01/2020 | 67,411.76 | 262,588.24 | 330,000.00 |
| 01/01/2021 | 72,007.84 | 257,992.16 | 330,000.00 |
| 01/01/2022 | 76,917.29 | 253,082.71 | 330,000.00 |
| 01/01/2023 | 82,161.45 | 247,838.55 | 330,000.00 |
| 01/01/2024 | 87,763.16 | 242,236.84 | 330,000.00 |
| 01/01/2025 | 93,746.79 | 236,253.21 | 330,000.00 |
| 01/01/2026 | 100,138.38 | 229,861.62 | 330,000.00 |
| 01/01/2027 | 106,965.74 | 223,034.26 | 330,000.00 |
| 01/01/2028 | 114,258.59 | 215,741.41 | 330,000.00 |
| 01/01/2029 | 122,048.65 | 207,951.35 | 330,000.00 |
| 01/01/2030 | 140,369.84 | 199,630.16 | 340,000.00 |
| 01/01/2031 | 149,940.16 | 190,059.84 | 340,000.00 |
| 01/01/2032 | 160,162.97 | 179,837.03 | 340,000.00 |
| 01/01/2033 | 171,082.76 | 168,917.24 | 340,000.00 |
| 01/01/2034 | 182,747.06 | 157,252.94 | 340,000.00 |
| 01/01/2035 | 205,206.63 | 144,793.37 | 350,000.00 |
| 01/01/2036 | 219,197.46 | 130,802.54 | 350,000.00 |
| 01/01/2037 | 234,142.19 | 115,857.81 | 350,000.00 |
| 01/01/2038 | 250,105.83 | 99,894.17 | 350,000.00 |
| 01/01/2039 | 267,157.87 | 82,842.13 | 350,000.00 |
| 01/01/2040 | 295,372.50 | 64,627.50 | 360,000.00 |
| 01/01/2041 | 315,510.78 | 44,489.22 | 360,000.00 |
| 01/01/2042 | 337,022.08 | 22,977.92 | 360,000.00 |

COPY

PROMISSORY NOTE
SECURED BY DEED OF TRUST AND ASSIGNMENT OF RENTS

6.82%
\$4,250,000.00

Santa Monica, California
November 1, 2010

FOR VALUE RECEIVED, REDEVELOPMENT AGENCY OF THE CITY OF SANTA MONICA, a public body, corporate and politic ("Payor"), hereby promises to pay to the order of BOYS' AND GIRLS' CLUB OF SANTA MONICA, INC., a California non-profit public benefit corporation, which acquired title under the name "Boy's Club of Santa Monica, California", as to an undivided 30% interest of an undivided 1/3 interest ("Payee"), the principal amount of; FOUR MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS AND 00/100 CENTS (\$4,250,000.00). Payor shall pay interest at the rate, in the amounts and at the times hereinafter provided.

1. Payment Address. This Note is payable at the office of First Private Bank & Trust, a California corporation, as agent for the holder from time to time of this Note, located at 16000 Ventura Boulevard, Encino, California 91436, or its successor (the "Agent"), or at such other place as the holder hereof may inform Payor in writing, in lawful money of the United States of America through wire transfer of immediately available funds.

2. Security Documents. The indebtedness evidenced by this Note is secured by (a) that certain Deed of Trust, Security Agreement and Fixture Filing of even date herewith from Payor, as Trustor, to First American Title Insurance Company, as Trustee, for the benefit of the Agent, as agent for the holder from time to time of this Note (the "Deed of Trust") covering certain real property located in the City of Santa Monica and described in Exhibit A to the Deed of Trust (the "Property"), and (b) that certain Assignment of Leases and Rents of even date herewith executed by Payor, as Assignor, to the Agent, as agent for the holder from time to time of this Note, as Assignee (the "Assignment"). In the event Payor exercises its rights to defease the lien of the Deed of Trust and the Assignment and obtain a reconveyance of the Deed of Trust and a release of the Assignment, as provided therein, the indebtedness evidenced by this Note shall be secured by the Defeasance Pledge Agreement, as defined in the Deed of Trust (the "Pledge Agreement").

3. Interest. This Note shall accrue simple interest at the rate of six and eighty-two one-hundredths percent (6.82%) per annum on the outstanding principal balance from time to time, from the date hereof, as provided in Section 4 below.

4. Payment Schedule. The indebtedness evidenced by this Note shall be paid in annual installments, until the calendar year 2042. The first annual payment shall be paid to the Agent, for the benefit of Payee, on the date hereof in the amount of \$26,521.76 (the "First Annual Payment"), all of which shall be applied to the payment of principal. The remaining annual payments for calendar years 2011 through 2042 shall be made on the first (1st) day of January in each year in accordance with the Payment Schedule attached hereto as Exhibit "A" and incorporated herein by this reference. All payments made hereunder shall be applied first to

any amounts due and owing under the Deed of Trust or the Assignment, then to accrued and unpaid interest and then to principal. On January 1, 2042 (the "Maturity Date"), the entire outstanding principal balance, plus accrued and unpaid interest and all other amounts owing under the Deed of Trust and the Assignment, shall be due and payable.

5. Prepayment. Payor shall have no right to prepay a portion or all of the sum due under this Note without the prior written consent of Payee, which approval may be withheld in Payee's sole and absolute discretion. If the outstanding principal balance hereunder is accelerated by Payee as a result of an Event of Default, Payor agrees to pay, in addition to all other amounts due hereunder and under any documents securing the indebtedness evidenced by this Note, an amount determined by subtracting such outstanding principal balance from the aggregate of the present values of each remaining annual payment due hereunder using as the discounting rate of interest for each such payment, the then-current yield of a United States Treasury Bill, Bond, or Note maturing on the date of such payment. If no such Treasury Bill, Bond, or Note has the same maturity date as any annual payment, the present value of such payment shall be determined through interpolation. If more than one such instrument matures on such payment date, that instrument having the highest current yield shall be used. If the outstanding principal balance hereunder at such time equals or exceeds such aggregate present values, no additional amount will be due under the preceding sentence.

6. Defeasance. The Buyer shall have the right to obtain a full reconveyance of the Deed of Trust and a release of the Assignment (referred to herein for simplicity purposes as a "defeasance") on the terms and conditions set forth in Section 2.4 of the Deed of Trust.

7. Event of Default. An Event of Default shall exist under this Note if (a) Payor fails to make any annual payment due on January 1 of any year by January 15 of such year and such failure continues uncured for a period of thirty (30) days after Notice from the Agent to Payor, the City of Santa Monica ("City"), and any lenders to the City and/or any sublessees under the City Lease for development of the Property ("Lender(s)") which have specifically requested Notice, in writing, from the Agent and provided an address to which such notices are to be sent; or (b) an Event of Default occurs under the Deed of Trust or the Assignment. At any time an Event of Default has occurred and is continuing, the interest rate shall be increased by five percent (5%) per annum beginning on the date the Event of Default occurred and continuing until the Event of Default has been cured, up to maximum interest rate of twelve (12) percent per annum. If an Event of Default occurs resulting from the failure to make any annual payment due hereunder within the stated grace period, Payor shall pay a late charge in an amount equal to one percent (1%) of the amount of such payment, not as a penalty but as liquidated damages. Payor agrees that the actual damages suffered by Payee resulting from the failure of Payor to make timely payment are impossible to determine at this time but that such amount represents a fair and reasonable estimate thereof.

8. Rights of City or Lender to Cure an Event of Default. Any Notice from the Agent to Payor under this Note shall be simultaneously served upon City and any Lender who has specifically requested Notice, in writing, from the Agent and provided an address to which such notices are to be sent, and Payee and the Agent shall provide City and any noticed Lender(s) with the same rights to cure as Payor under this Note. Any cure provided by City or any Lender(s)

shall be accepted by Payee and the Agent as if made by Payor. Nothing herein shall be interpreted to require City or any Lender(s) to assume any obligations of Payor under this Note.

9. Remedies. Upon the occurrence of an Event of Default described in Section 7(a) above, or upon the occurrence of a material Event of Default under Section 7(b), Payee shall, either directly or through the Agent, be entitled to accelerate the Maturity Date and declare the entire outstanding principal balance, along with all accrued and unpaid interest and other amounts due and owing hereunder and under all documents securing the indebtedness evidenced by this Note, to be immediately due and payable, and to exercise all remedies available thereunder.

10. Costs and Expenses of Enforcement. Payor agrees to pay to the Agent on demand all direct costs and direct expenses, excluding overhead and profit, incurred by the Agent and Payee in seeking to collect this Note or to enforce any of the Agent's or Payee's rights and remedies after an Event of Default, including court costs and reasonable attorneys' fees and expenses, whether or not suit is filed, or whether in connection with bankruptcy, insolvency or appeal.

11. Non-Recourse Obligation.

(a) Payee agrees that the assets and property available to it to collect the principal and interest and other amounts due under this Note shall be limited to the collateral covered by the Deed of Trust and the Assignment and the proceeds thereof, or, following a defeasance, the collateral covered by the Pledge Agreement and the proceeds thereof, and no other asset of Payor shall be seized or attached to satisfy any monetary judgment rendered under this Note.

(b) Nothing in Section 11(a) shall release or impair the Note, the Deed of Trust, the Assignment, the Pledge Agreement or any other document or any collateral now or hereafter given for this Note, nor shall it prevent Payee or the Agent from exercising any right or remedy available to it thereunder or under applicable law except as expressly set forth in Section 11(a).

12. Notices. All notices or other communications required or permitted hereunder shall be provided in accordance with the Deed of Trust.

13. Rights Held Invalid. If the rights created by this Note shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the obligations described herein, the remaining obligations must be completely performed and paid.

14. General Provisions. Time is of the essence with respect to Payor's obligations under this Note. Captions and headings in this Note are for convenience only and shall be disregarded in construing it. This Note and its validity, enforcement and interpretation shall be governed by the laws of the State of California (without regard to any principles of conflicts of laws) and applicable United States federal law. The words "include" and "including" shall be interpreted as if followed by the words "without limitation."

IN WITNESS WHEREOF, Payor has executed this Note as of the day and year set forth above.

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

By: 
Rod Gould
Executive Director

ATTEST:


Maria Stewart
~~City Clerk~~ / Agency Secretary
ms.

APPROVED AS TO FORM:


Marsha Jones Moutrie
~~City Attorney~~ / Agency General Counsel
mj

APPROVED AS TO FORM:
KANE, BALLMER & BERKMAN


Murray O. Kane
Special Counsel

Exhibit A
Payment Schedule

Payment Schedule for
Boys' and Girls' Club of Santa Monica, Inc.
Pro Rata Share of 100% (10%)

| | Principal | Interest | Total Payments |
|------------|------------|------------|-------------------|
| 11/01/2010 | 26,521.76 | - | 26,521.76 |
| 01/01/2011 | 116,676.23 | 48,123.77 | 164,800.00 |
| 01/01/2012 | - | 169,744.00 | 169,744.00 |
| 01/01/2013 | - | 330,000.00 | 330,000.00 |
| 01/01/2014 | - | 330,000.00 | 330,000.00 |
| 01/01/2015 | 26,084.66 | 303,915.34 | 330,000.00 |
| 01/01/2016 | 51,779.65 | 278,220.35 | 330,000.00 |
| 01/01/2017 | 55,309.94 | 274,690.06 | 330,000.00 |
| 01/01/2018 | 59,080.94 | 270,919.06 | 330,000.00 |
| 01/01/2019 | 63,109.03 | 266,890.97 | 330,000.00 |
| 01/01/2020 | 67,411.76 | 262,588.24 | 330,000.00 |
| 01/01/2021 | 72,007.84 | 257,992.16 | 330,000.00 |
| 01/01/2022 | 76,917.29 | 253,082.71 | 330,000.00 |
| 01/01/2023 | 82,161.45 | 247,838.55 | 330,000.00 |
| 01/01/2024 | 87,763.16 | 242,236.84 | 330,000.00 |
| 01/01/2025 | 93,746.79 | 236,253.21 | 330,000.00 |
| 01/01/2026 | 100,138.38 | 229,861.62 | 330,000.00 |
| 01/01/2027 | 106,965.74 | 223,034.26 | 330,000.00 |
| 01/01/2028 | 114,258.59 | 215,741.41 | 330,000.00 |
| 01/01/2029 | 122,048.65 | 207,951.35 | 330,000.00 |
| 01/01/2030 | 140,369.84 | 199,630.16 | 340,000.00 |
| 01/01/2031 | 149,940.16 | 190,059.84 | 340,000.00 |
| 01/01/2032 | 160,162.97 | 179,837.03 | 340,000.00 |
| 01/01/2033 | 171,082.76 | 168,917.24 | 340,000.00 |
| 01/01/2034 | 182,747.06 | 157,252.94 | 340,000.00 |
| 01/01/2035 | 205,206.63 | 144,793.37 | 350,000.00 |
| 01/01/2036 | 219,197.46 | 130,802.54 | 350,000.00 |
| 01/01/2037 | 234,142.19 | 115,857.81 | 350,000.00 |
| 01/01/2038 | 250,105.83 | 99,894.17 | 350,000.00 |
| 01/01/2039 | 267,157.87 | 82,842.13 | 350,000.00 |
| 01/01/2040 | 295,372.50 | 64,627.50 | 360,000.00 |
| 01/01/2041 | 315,510.78 | 44,489.22 | 360,000.00 |
| 01/01/2042 | 337,022.08 | 22,977.92 | 360,000.00 |

COPY

PROMISSORY NOTE
SECURED BY DEED OF TRUST AND ASSIGNMENT OF RENTS

6.82%
\$708,333.34

Santa Monica, California
November 1, 2010

FOR VALUE RECEIVED, REDEVELOPMENT AGENCY OF THE CITY OF SANTA MONICA, a public body, corporate and politic ("Payor"), hereby promises to pay to the order of SANTA MONICA YOUNG MEN'S CHRISTIAN ASSOCIATION, a California non-profit public benefit corporation, as to an undivided 5% interest of an undivided 1/3 interest ("Payee"), the principal amount of SEVEN HUNDRED EIGHT THOUSAND THREE HUNDRED THIRTY THREE DOLLARS AND 34/100 CENTS (\$708,333.34). Payor shall pay interest at the rate, in the amounts and at the times hereinafter provided.

1. Payment Address. This Note is payable at the office of First Private Bank & Trust, a California corporation, as agent for the holder from time to time of this Note, located at 16000 Ventura Boulevard, Encino, California 91436, or its successor (the "Agent"), or at such other place as the holder hereof may inform Payor in writing, in lawful money of the United States of America through wire transfer of immediately available funds.

2. Security Documents. The indebtedness evidenced by this Note is secured by (a) that certain Deed of Trust, Security Agreement and Fixture Filing of even date herewith from Payor, as Trustor, to First American Title Insurance Company, as Trustee, for the benefit of the Agent, as agent for the holder from time to time of this Note (the "Deed of Trust") covering certain real property located in the City of Santa Monica and described in Exhibit A to the Deed of Trust (the "Property"), and (b) that certain Assignment of Leases and Rents of even date herewith executed by Payor, as Assignor, to the Agent, as agent for the holder from time to time of this Note, as Assignee (the "Assignment"). In the event Payor exercises its rights to defease the lien of the Deed of Trust and the Assignment and obtain a reconveyance of the Deed of Trust and a release of the Assignment, as provided therein, the indebtedness evidenced by this Note shall be secured by the Defeasance Pledge Agreement, as defined in the Deed of Trust (the "Pledge Agreement").

3. Interest. This Note shall accrue simple interest at the rate of six and eighty-two one-hundredths percent (6.82%) per annum on the outstanding principal balance from time to time, from the date hereof, as provided in Section 4 below.

4. Payment Schedule. The indebtedness evidenced by this Note shall be paid in annual installments, until the calendar year 2042. The first annual payment shall be paid to the Agent, for the benefit of Payee, on the date hereof in the amount of \$4,421.18 (the "First Annual Payment"), all of which shall be applied to the payment of principal. The remaining annual payments for calendar years 2011 through 2042 shall be made on the first (1st) day of January in each year in accordance with the Payment Schedule attached hereto as Exhibit "A" and incorporated herein by this reference. All payments made hereunder shall be applied first to any amounts due and owing under the Deed of Trust or the Assignment, then to accrued and unpaid

interest and then to principal. On January 1, 2042 (the "Maturity Date"), the entire outstanding principal balance, plus accrued and unpaid interest and all other amounts owing under the Deed of Trust and the Assignment, shall be due and payable.

5. Prepayment. Payor shall have no right to prepay a portion or all of the sum due under this Note without the prior written consent of Payee, which approval may be withheld in Payee's sole and absolute discretion. If the outstanding principal balance hereunder is accelerated by Payee as a result of an Event of Default, Payor agrees to pay, in addition to all other amounts due hereunder and under any documents securing the indebtedness evidenced by this Note, an amount determined by subtracting such outstanding principal balance from the aggregate of the present values of each remaining annual payment due hereunder using as the discounting rate of interest for each such payment, the then-current yield of a United States Treasury Bill, Bond, or Note maturing on the date of such payment. If no such Treasury Bill, Bond, or Note has the same maturity date as any annual payment, the present value of such payment shall be determined through interpolation. If more than one such instrument matures on such payment date, that instrument having the highest current yield shall be used. If the outstanding principal balance hereunder at such time equals or exceeds such aggregate present values, no additional amount will be due under the preceding sentence.

6. Defeasance. The Buyer shall have the right to obtain a full reconveyance of the Deed of Trust and a release of the Assignment (referred to herein for simplicity purposes as a "defeasance") on the terms and conditions set forth in Section 2.4 of the Deed of Trust.

7. Event of Default. An Event of Default shall exist under this Note if (a) Payor fails to make any annual payment due on January 1 of any year by January 15 of such year and such failure continues uncured for a period of thirty (30) days after Notice from the Agent to Payor, the City of Santa Monica ("City"), and any lenders to the City and/or any sublessees under the City Lease for development of the Property ("Lender(s)") which have specifically requested Notice, in writing, from the Agent and provided an address to which such notices are to be sent; or (b) an Event of Default occurs under the Deed of Trust or the Assignment. At any time an Event of Default has occurred and is continuing, the interest rate shall be increased by five percent (5%) per annum beginning on the date the Event of Default occurred and continuing until the Event of Default has been cured, up to maximum interest rate of twelve (12) percent per annum. If an Event of Default occurs resulting from the failure to make any annual payment due hereunder within the stated grace period, Payor shall pay a late charge in an amount equal to one percent (1%) of the amount of such payment, not as a penalty but as liquidated damages. Payor agrees that the actual damages suffered by Payee resulting from the failure of Payor to make timely payment are impossible to determine at this time but that such amount represents a fair and reasonable estimate thereof.

8. Rights of City or Lender to Cure an Event of Default. Any Notice from the Agent to Payor under this Note shall be simultaneously served upon City and any Lender who has specifically requested Notice, in writing, from the Agent and provided an address to which such notices are to be sent, and Payee and the Agent shall provide City and any noticed Lender(s) with the same rights to cure as Payor under this Note. Any cure provided by City or any Lender(s)

shall be accepted by Payee and the Agent as if made by Payor. Nothing herein shall be interpreted to require City or any Lender(s) to assume any obligations of Payor under this Note.

9. Remedies. Upon the occurrence of an Event of Default described in Section 7(a) above, or upon the occurrence of a material Event of Default under Section 7(b), Payee shall, either directly or through the Agent, be entitled to accelerate the Maturity Date and declare the entire outstanding principal balance, along with all accrued and unpaid interest and other amounts due and owing hereunder and under all documents securing the indebtedness evidenced by this Note, to be immediately due and payable, and to exercise all remedies available thereunder.

10. Costs and Expenses of Enforcement. Payor agrees to pay to the Agent on demand all direct costs and direct expenses, excluding overhead and profit, incurred by the Agent and Payee in seeking to collect this Note or to enforce any of the Agent's or Payee's rights and remedies after an Event of Default, including court costs and reasonable attorneys' fees and expenses, whether or not suit is filed, or whether in connection with bankruptcy, insolvency or appeal.

11. Non-Recourse Obligation.

(a) Payee agrees that the assets and property available to it to collect the principal and interest and other amounts due under this Note shall be limited to the collateral covered by the Deed of Trust and the Assignment and the proceeds thereof, or, following a defeasance, the collateral covered by the Pledge Agreement and the proceeds thereof, and no other asset of Payor shall be seized or attached to satisfy any monetary judgment rendered under this Note.

(b) Nothing in Section 11(a) shall release or impair the Note, the Deed of Trust, the Assignment, the Pledge Agreement or any other document or any collateral now or hereafter given for this Note, nor shall it prevent Payee or the Agent from exercising any right or remedy available to it thereunder or under applicable law except as expressly set forth in Section 11(a).

12. Notices. All notices or other communications required or permitted hereunder shall be provided in accordance with the Deed of Trust.

13. Rights Held Invalid. If the rights created by this Note shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the obligations described herein, the remaining obligations must be completely performed and paid.

14. General Provisions. Time is of the essence with respect to Payor's obligations under this Note. Captions and headings in this Note are for convenience only and shall be disregarded in construing it. This Note and its validity, enforcement and interpretation shall be governed by the laws of the State of California (without regard to any principles of conflicts of laws) and applicable United States federal law. The words "include" and "including" shall be interpreted as if followed by the words "without limitation."

IN WITNESS WHEREOF, Payor has executed this Note as of the day and year set forth above.

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

By: 
Rod Gould
Executive Director

ATTEST:


Maria Stewart
~~City Clerk~~ / Agency Secretary
ms

APPROVED AS TO FORM:


Marsha Jones Moutrie
~~City Attorney~~ / Agency General Counsel
mjm

APPROVED AS TO FORM:
KANE, BALLMER & BERKMAN

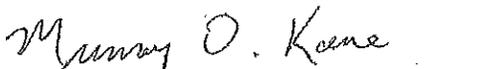

Murray O. Kane
Special Counsel

Exhibit A Payment Schedule

Payment Schedule for Santa Monica Young Men's Christian Association Pro Rata Share of 100% (1 2/3%)

| | Principal | Interest | Total Payments |
|------------|-----------|-----------|-------------------|
| 11/01/2010 | 4,421.18 | - | 4,421.18 |
| 01/01/2011 | 19,449.93 | 8,022.23 | 27,472.16 |
| 01/01/2012 | - | 28,296.32 | 28,296.32 |
| 01/01/2013 | - | 55,011.00 | 55,011.00 |
| 01/01/2014 | - | 55,011.00 | 55,011.00 |
| 01/01/2015 | 4,348.31 | 50,662.69 | 55,011.00 |
| 01/01/2016 | 8,631.67 | 46,379.33 | 55,011.00 |
| 01/01/2017 | 9,220.17 | 45,790.83 | 55,011.00 |
| 01/01/2018 | 9,848.79 | 45,162.21 | 55,011.00 |
| 01/01/2019 | 10,520.28 | 44,490.72 | 55,011.00 |
| 01/01/2020 | 11,237.54 | 43,773.46 | 55,011.00 |
| 01/01/2021 | 12,003.71 | 43,007.29 | 55,011.00 |
| 01/01/2022 | 12,822.11 | 42,188.89 | 55,011.00 |
| 01/01/2023 | 13,696.31 | 41,314.69 | 55,011.00 |
| 01/01/2024 | 14,630.12 | 40,380.88 | 55,011.00 |
| 01/01/2025 | 15,627.59 | 39,383.41 | 55,011.00 |
| 01/01/2026 | 16,693.07 | 38,317.93 | 55,011.00 |
| 01/01/2027 | 17,831.19 | 37,179.81 | 55,011.00 |
| 01/01/2028 | 19,046.91 | 35,964.09 | 55,011.00 |
| 01/01/2029 | 20,345.51 | 34,665.49 | 55,011.00 |
| 01/01/2030 | 23,399.65 | 33,278.35 | 56,678.00 |
| 01/01/2031 | 24,995.02 | 31,682.98 | 56,678.00 |
| 01/01/2032 | 26,699.17 | 29,978.83 | 56,678.00 |
| 01/01/2033 | 28,519.50 | 28,158.50 | 56,678.00 |
| 01/01/2034 | 30,463.94 | 26,214.06 | 56,678.00 |
| 01/01/2035 | 34,207.94 | 24,137.06 | 58,345.00 |
| 01/01/2036 | 36,540.22 | 21,804.78 | 58,345.00 |
| 01/01/2037 | 39,031.50 | 19,313.50 | 58,345.00 |
| 01/01/2038 | 41,692.64 | 16,652.36 | 58,345.00 |
| 01/01/2039 | 44,535.22 | 13,809.78 | 58,345.00 |
| 01/01/2040 | 49,238.60 | 10,773.40 | 60,012.00 |
| 01/01/2041 | 52,595.65 | 7,416.35 | 60,012.00 |
| 01/01/2042 | 56,181.58 | 3,830.42 | 60,012.00 |

COPY

PROMISSORY NOTE
SECURED BY DEED OF TRUST AND ASSIGNMENT OF RENTS

6.82%
\$708,333.34

Santa Monica, California
November 1, 2010

FOR VALUE RECEIVED, REDEVELOPMENT AGENCY OF THE CITY OF SANTA MONICA, a public body, corporate and politic ("Payor"), hereby promises to pay to the order of YWCA SANTA MONICA/WESTSIDE, a California non-profit public benefit corporation, 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 ("Payee"), the principal amount of SEVEN HUNDRED EIGHT THOUSAND THREE HUNDRED THIRTY THREE DOLLARS AND 34/100 CENTS (\$708,333.34). Payor shall pay interest at the rate, in the amounts and at the times hereinafter provided.

1. Payment Address. This Note is payable at the office of First Private Bank & Trust, a California corporation, as agent for the holder from time to time of this Note, located at 16000 Ventura Boulevard, Encino, California 91436, or its successor (the "Agent"), or at such other place as the holder hereof may inform Payor in writing, in lawful money of the United States of America through wire transfer of immediately available funds.

2. Security Documents. The indebtedness evidenced by this Note is secured by (a) that certain Deed of Trust, Security Agreement and Fixture Filing of even date herewith from Payor, as Trustor, to First American Title Insurance Company, as Trustee, for the benefit of the Agent, as agent for the holder from time to time of this Note (the "Deed of Trust") covering certain real property located in the City of Santa Monica and described in Exhibit A to the Deed of Trust (the "Property"), and (b) that certain Assignment of Leases and Rents of even date herewith executed by Payor, as Assignor, to the Agent, as agent for the holder from time to time of this Note, as Assignee (the "Assignment"). In the event Payor exercises its rights to defease the lien of the Deed of Trust and the Assignment and obtain a reconveyance of the Deed of Trust and a release of the Assignment, as provided therein, the indebtedness evidenced by this Note shall be secured by the Defeasance Pledge Agreement, as defined in the Deed of Trust (the "Pledge Agreement").

3. Interest. This Note shall accrue simple interest at the rate of six and eighty-two one-hundredths percent (6.82%) per annum on the outstanding principal balance from time to time, from the date hereof, as provided in Section 4 below.

4. Payment Schedule. The indebtedness evidenced by this Note shall be paid in annual installments, until the calendar year 2042. The first annual payment shall be paid to the Agent, for the benefit of Payee, on the date hereof in the amount of \$4,421.18 (the "First Annual Payment"), all of which shall be applied to the payment of principal. The remaining annual payments for calendar years 2011 through 2042 shall be made on the first (1st) day of January in each year in accordance with the Payment Schedule attached hereto as Exhibit "A" and incorporated herein by this reference. All payments made hereunder shall be applied first to any

amounts due and owing under the Deed of Trust or the Assignment, then to accrued and unpaid interest and then to principal. On January 1, 2042 (the "Maturity Date"), the entire outstanding principal balance, plus accrued and unpaid interest and all other amounts owing under the Deed of Trust and the Assignment, shall be due and payable.

5. Prepayment. Payor shall have no right to prepay a portion or all of the sum due under this Note without the prior written consent of Payee, which approval may be withheld in Payee's sole and absolute discretion. If the outstanding principal balance hereunder is accelerated by Payee as a result of an Event of Default, Payor agrees to pay, in addition to all other amounts due hereunder and under any documents securing the indebtedness evidenced by this Note, an amount determined by subtracting such outstanding principal balance from the aggregate of the present values of each remaining annual payment due hereunder using as the discounting rate of interest for each such payment, the then-current yield of a United States Treasury Bill, Bond, or Note maturing on the date of such payment. If no such Treasury Bill, Bond, or Note has the same maturity date as any annual payment, the present value of such payment shall be determined through interpolation. If more than one such instrument matures on such payment date, that instrument having the highest current yield shall be used. If the outstanding principal balance hereunder at such time equals or exceeds such aggregate present values, no additional amount will be due under the preceding sentence.

6. Defeasance. The Buyer shall have the right to obtain a full reconveyance of the Deed of Trust and a release of the Assignment (referred to herein for simplicity purposes as a "defeasance") on the terms and conditions set forth in Section 2.4 of the Deed of Trust.

7. Event of Default. An Event of Default shall exist under this Note if (a) Payor fails to make any annual payment due on January 1 of any year by January 15 of such year and such failure continues uncured for a period of thirty (30) days after Notice from the Agent to Payor, the City of Santa Monica ("City"), and any lenders to the City and/or any sublessees under the City Lease for development of the Property ("Lender(s)") which have specifically requested Notice, in writing, from the Agent and provided an address to which such notices are to be sent; or (b) an Event of Default occurs under the Deed of Trust or the Assignment. At any time an Event of Default has occurred and is continuing, the interest rate shall be increased by five percent (5%) per annum beginning on the date the Event of Default occurred and continuing until the Event of Default has been cured, up to maximum interest rate of twelve (12) percent per annum. If an Event of Default occurs resulting from the failure to make any annual payment due hereunder within the stated grace period, Payor shall pay a late charge in an amount equal to one percent (1%) of the amount of such payment, not as a penalty but as liquidated damages. Payor agrees that the actual damages suffered by Payee resulting from the failure of Payor to make timely payment are impossible to determine at this time but that such amount represents a fair and reasonable estimate thereof.

8. Rights of City or Lender to Cure an Event of Default. Any Notice from the Agent to Payor under this Note shall be simultaneously served upon City and any Lender who has specifically requested Notice, in writing, from the Agent and provided an address to which such notices are to be sent, and Payee and the Agent shall provide City and any noticed Lender(s) with the same rights to cure as Payor under this Note. Any cure provided by City or any Lender(s)

shall be accepted by Payee and the Agent as if made by Payor. Nothing herein shall be interpreted to require City or any Lender(s) to assume any obligations of Payor under this Note.

9. Remedies. Upon the occurrence of an Event of Default described in Section 7(a) above, or upon the occurrence of a material Event of Default under Section 7(b), Payee shall, either directly or through the Agent, be entitled to accelerate the Maturity Date and declare the entire outstanding principal balance, along with all accrued and unpaid interest and other amounts due and owing hereunder and under all documents securing the indebtedness evidenced by this Note, to be immediately due and payable, and to exercise all remedies available thereunder.

10. Costs and Expenses of Enforcement. Payor agrees to pay to the Agent on demand all direct costs and direct expenses, excluding overhead and profit, incurred by the Agent and Payee in seeking to collect this Note or to enforce any of the Agent's or Payee's rights and remedies after an Event of Default, including court costs and reasonable attorneys' fees and expenses, whether or not suit is filed, or whether in connection with bankruptcy, insolvency or appeal.

11. Non-Recourse Obligation.

(a) Payee agrees that the assets and property available to it to collect the principal and interest and other amounts due under this Note shall be limited to the collateral covered by the Deed of Trust and the Assignment and the proceeds thereof, or, following a defeasance, the collateral covered by the Pledge Agreement and the proceeds thereof, and no other asset of Payor shall be seized or attached to satisfy any monetary judgment rendered under this Note.

(b) Nothing in Section 11(a) shall release or impair the Note, the Deed of Trust, the Assignment, the Pledge Agreement or any other document or any collateral now or hereafter given for this Note, nor shall it prevent Payee or the Agent from exercising any right or remedy available to it thereunder or under applicable law except as expressly set forth in Section 11(a).

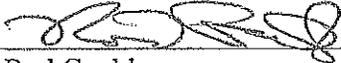
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IN WITNESS WHEREOF, Payor has executed this Note as of the day and year set forth above.

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

By: 
Rod Gould
Executive Director

ATTEST:


Maria Stewart
City Clerk / Agency Secretary
ms

APPROVED AS TO FORM:


Marsha Jones Moutrie
City Attorney / Agency General Counsel
mjm

APPROVED AS TO FORM:
KANE, BALLMER & BERKMAN

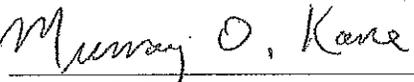

Murray O. Kane
Special Counsel

Exhibit A
Payment Schedule

Payment Schedule for
YWCA Santa Monica/Westside
Pro Rata Share of 100% (1 2/3%)

| | Principal | Interest | Total Payments |
|------------|-----------|-----------|-------------------|
| 11/01/2010 | 4,421.18 | - | 4,421.18 |
| 01/01/2011 | 19,449.93 | 8,022.23 | 27,472.16 |
| 01/01/2012 | - | 28,296.32 | 28,296.32 |
| 01/01/2013 | - | 55,011.00 | 55,011.00 |
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| 01/01/2015 | 4,348.31 | 50,662.69 | 55,011.00 |
| 01/01/2016 | 8,631.67 | 46,379.33 | 55,011.00 |
| 01/01/2017 | 9,220.17 | 45,790.83 | 55,011.00 |
| 01/01/2018 | 9,848.79 | 45,162.21 | 55,011.00 |
| 01/01/2019 | 10,520.28 | 44,490.72 | 55,011.00 |
| 01/01/2020 | 11,237.54 | 43,773.46 | 55,011.00 |
| 01/01/2021 | 12,003.71 | 43,007.29 | 55,011.00 |
| 01/01/2022 | 12,822.11 | 42,188.89 | 55,011.00 |
| 01/01/2023 | 13,696.31 | 41,314.69 | 55,011.00 |
| 01/01/2024 | 14,630.12 | 40,380.88 | 55,011.00 |
| 01/01/2025 | 15,627.59 | 39,383.41 | 55,011.00 |
| 01/01/2026 | 16,693.07 | 38,317.93 | 55,011.00 |
| 01/01/2027 | 17,831.19 | 37,179.81 | 55,011.00 |
| 01/01/2028 | 19,046.91 | 35,964.09 | 55,011.00 |
| 01/01/2029 | 20,345.51 | 34,665.49 | 55,011.00 |
| 01/01/2030 | 23,399.65 | 33,278.35 | 56,678.00 |
| 01/01/2031 | 24,995.02 | 31,682.98 | 56,678.00 |
| 01/01/2032 | 26,699.17 | 29,978.83 | 56,678.00 |
| 01/01/2033 | 28,519.50 | 28,158.50 | 56,678.00 |
| 01/01/2034 | 30,463.94 | 26,214.06 | 56,678.00 |
| 01/01/2035 | 34,207.94 | 24,137.06 | 58,345.00 |
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| 01/01/2038 | 41,692.64 | 16,652.36 | 58,345.00 |
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| 01/01/2040 | 49,238.60 | 10,773.40 | 60,012.00 |
| 01/01/2041 | 52,595.65 | 7,416.35 | 60,012.00 |
| 01/01/2042 | 56,181.58 | 3,830.42 | 60,012.00 |