
ASSUMPTION AGREEMENT

THIS AGREEMENT is made as of the 8th day of February, 2005 among the undersigned parties:

HILLSIDE PLAZA, LTD., a California limited partnership, (herein referred to as "Seller");

HILLSIDE PLAZA PARTNERS, LLC, a California limited liability company (herein referred to as "Purchaser"); and

PROTECTIVE LIFE INSURANCE COMPANY, (herein referred to as "Lender");

1. **Background.** Seller is indebted to Lender as evidenced and secured by the documents described on Exhibit A attached hereto (all executed by Seller unless otherwise indicated) evidencing and securing a mortgage loan in the original principal amount of \$4,000,000.00 and recorded where indicated in the Register's Office of Salt Lake County, Utah.

The documents as described on attached Exhibit A and any and all other documents executed by Purchaser evidencing or securing said indebtedness are collectively referred to herein as the "Loan Documents".

Simultaneously herewith, Purchaser has executed or authorized the following documents ("Supplementary Documents") which are effective immediately upon assumption of the indebtedness by Purchaser as provided herein:

- (a) Environmental Indemnity Agreement
- (b) Limited Guaranty
- (c) UCC Financing Statements

The Loan Documents encumber the Property more particularly described in the Indenture securing the loan.

Seller desires to sell and Purchaser desires to purchase the Property with Purchaser to assume the obligation to repay the indebtedness evidenced by the Note and to perform all of the terms and conditions of the Loan Documents. However, such Loan Documents require the written consent of Lender prior to the transfer of any interest in the Property and a transfer without such consent would constitute a default

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under the Loan Documents. Therefore, Seller and Purchaser wish to obtain the consent of Lender to such transfer.

NOW THEREFORE, for and in consideration of the granting of such consent by Lender and of the benefits flowing to each of the parties hereto, and other good and valuable consideration, the parties agree as follows:

2. **Assumption.** Purchaser hereby assumes repayment of the indebtedness evidenced by the Note and the performance of all of the terms and conditions of the Loan Documents. Notwithstanding the foregoing, except for the Environmental Indemnity Agreement, Borrower's assumption of the repayment of the Note and the performance of all of the terms and conditions of the Loan Documents is effective from and after the date of this Assumption Agreement.

Purchaser hereby acknowledges receipt of a copy of each Loan Document and acknowledges that Lender has made all disclosures to Purchaser as may be required under applicable laws and regulations. In the event of any default by Purchaser under the terms of the Note or any Loan Document, Lender may exercise all remedies available to it under the terms of such Note and Loan Documents. Notwithstanding the foregoing, Purchaser shall have no greater liability under the Loan Documents than Seller.

3. **Consent to Sale.** Lender hereby consents to the sale and transfer of the Property to Purchaser, accepts Purchaser as its obligor and shall amend its records to indicate the transfer of the Property from the name of Seller to the name of Purchaser. Purchaser agrees that the granting of consent by Lender to this transfer shall not constitute a waiver of the restriction on transfer contained in the Loan Documents and any such restriction shall continue in full force and effect. Any future transfer or sale by Purchaser without the written consent of Lender shall constitute a default under the Loan Documents and Lender, at its option, may exercise all remedies available to it under the terms of such Note and Loan Documents.

4. **Escrow Deposits; Taxes and Insurance.** Seller hereby relinquishes and transfers to Purchaser all of Seller's interest in any monies which may be held by Lender or its agent as escrow deposits for the purposes of application to taxes, assessments, property or other insurance premiums. Purchaser assumes the liability for payment of any unpaid taxes, assessments, or insurance on such property and agrees to continue making monthly deposits for such purposes if required by Lender.

5. **Release.** Lender releases Seller, as borrower, and Warren H. Clark, ("Original Indemnitors") from their obligations under the Loan Documents from and after the date above; provided, however, that Lender does not release Seller and said Original Indemnitors and Seller and said Original Indemnitors shall remain liable to Lender for the obligations under the Environmental Indemnity Agreement dated August 1, 2003 with respect to a discharge, emission or release of hazardous materials occurring at any time prior to the transfer of title to the Property from Seller to Purchaser.

Seller and any undersigned Original Indemnitors do hereby release and discharge Lender, its officers, agents, employees, successors and assigns and the Property from each, every and all liens, claims of or rights to liens of any kind and all debts, obligations, bills, fees, disputes, liabilities, causes of action, demands or claims whatsoever, whether known or unknown, arising out of or in any way related to the Property, the loan or the Loan Documents.

6. **Other Liens.** Purchaser certifies to Lender that no lien or other charge upon the Property has been given or executed by Purchaser or has been contracted or agreed to be so given or executed, other than the lien of the Loan Documents.

7. **Construction; Binding Effect; Miscellaneous.** The word "Note" as used in this instrument shall be construed to include any extension or modification thereof.

All provisions of the Note and the other Loan Documents remain in full force and effect as therein written, except as expressly modified by this Agreement. To the extent of any conflict between the Loan Documents (or any earlier modification of them) and this Agreement, this Agreement shall control.

This Agreement binds and benefits the parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees, successors and assigns; provided, however, that no party but Lender may assign its rights hereunder without Lender's prior written consent.

As used herein, the masculine gender includes each other gender and the singular includes the plural and vice versa, unless the context otherwise requires.

The date or dates of the acknowledgements indicate the date(s) of execution of this Agreement but execution is as of the above date, and for purposes of identification and reference the date of this Agreement is the above date.

This Agreement may be executed in several identical counterparts all of which shall constitute one and the same instrument.

This Agreement shall be governed by and construed by the laws of the State of Utah.

8. **Certain Warranties and Covenants.** If any party to this Agreement other than Lender is a corporation, partnership or other legal entity, such party and the persons(s) signing for it represent and warrant to Lender that this Agreement has been duly executed and delivered by such parties' duly authorized representative. The Loan Documents and the obligations thereunder as herein amended are ratified and acknowledged as valid, subsisting and enforceable, subject to no offsets, claims or defenses.

Purchaser agrees that it shall be bound by the Security Agreement contained in the Indenture and authorizes Lender to file any UCC financing, continuation or other statements, with or without the signature of Purchaser, as Lender may elect, as may be necessary or desirable to perfect the lien of Lender's security interest in the Fixtures and Personalty (as such terms are defined in the Indenture).

9. **No Waiver.** The execution of this Agreement by Lender is not intended nor shall it be construed as an actual or implied waiver of: (a) any default under any Loan Document; (b) any requirement under any Loan Document except to the extent of the amendment specified in this Agreement; (c) any right contained in any Loan Documents to demand payment or accelerate maturity after default; or (d) any rights Lender may have against any person not a party hereto.

10. **No Novation.** The parties acknowledge and agree that this Agreement shall not constitute a novation of the indebtedness evidenced by the Note and secured by the other Loan Documents. The parties intend that the liens comprised within the Loan Documents are and shall remain continuously as security for all the obligations under the Loan Documents, without interruption in priority or effect.

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11. **Notice Address.** Purchaser's Notice Address for purposes of the Loan Documents shall be the address set forth below.

12. **Anti-Money Laundering; SDN List.** Neither the purchase of the Property nor the assumption of the loan have been or will be used to launder money or for any other illegal or restricted use or purpose. All information in the Borrower/Principal Certification and all other material and information provided to Lender in connection with the assumption of the Loan is true, correct and complete and was made for the purpose of obtaining Lender's consent to the assumption of the loan. None of the following appear on the list of Specially Designated Nationals and Blocked Persons that is maintained by U.S. Treasury Department's Office of Foreign Assets Control or on any other similar list maintained by any governmental entity or agency: (a) the Purchaser; (b) any Indemnitor (as defined in the Supplementary Documents); (c) any Guarantor (as defined in the Supplementary Documents); (d) any person or entity related to the Purchaser, any Indemnitor, any Guarantor, the assumption of the loan or the Property; or (e) any person or entity receiving (directly or indirectly) the benefit of the assumption of the loan.

IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first set forth above.

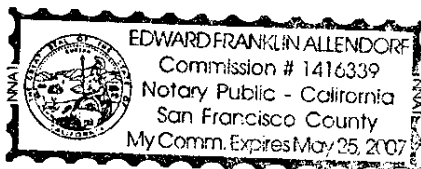
"SELLER/ORIGINAL INDEMNITOR"
HILLSIDE PLAZA, LTD., a California
limited partnership

By: Warren H. Clark
Warren H. Clark, general partner

STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

On Feb. 17, 2005, before me Edward Franklin Allendorf, personally appeared Warren H. Clark, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Signature Edward Franklin Allendorf (Seal)

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"ORIGINAL INDEMNITOR"

Warren H. Clark

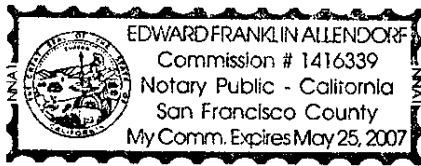
Warren H. Clark

STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

On Feb 17, 2005, before me Edward Franklin Allendorf, personally appeared Warren H. Clark, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

WITNESS my hand and official seal.

Signature *Edward Franklin Allendorf* (Seal)

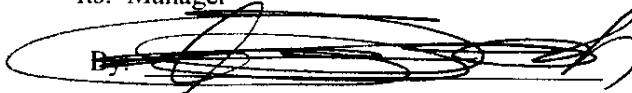


"PURCHASER"

HILLSIDE PLAZA PARTNERS, LLC, a
California limited liability company

Doerken Properties, Inc., a California
corporation

Its: Manager

By: 

Its: EXEC. V.P.

Purchaser's Notice Address:
c/o Doerken Properties, Inc.
ATTN: Allen J. Lynch
1448 – 15th Street
Suite 100
Santa Monica, California 90404

with simultaneous copies to:
Doerken Properties, Inc.
ATTN: Peter W. Doerken
1448 – 15th Street
Suite 100
Santa Monica, California 90404

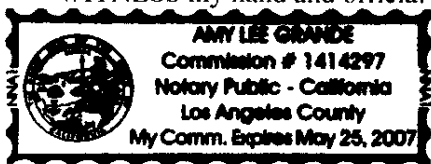
Edward Krasnove, Esq.
The Krasnove Law Firm
3838 Carson Street, Suite 210
Torrance, California 90503

STATE OF California

COUNTY OF Los Angeles

On February 4, 2005, before me Amy Lee Grande, Notary Public personally
appeared Allen J. Lynch, personally known to me (~~or proved to me on the basis of~~
~~satisfactory evidence~~) to be the person whose name is subscribed to the within instrument and
acknowledged to me that he executed the same in his authorized capacity as Executive Vice President of
Doerken Properties, Inc., a California corporation as manager of Hillside Plaza Partners, LLC, a
California limited liability company, and that by his signature on the instrument the person, or the entity
upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Signature Amy Lee Grande (Seal)

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**"LENDER"
PROTECTIVE LIFE INSURANCE COMPANY**

By: Charles M. Prior
Name: Charles M. Prior
Title: Vice President

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

On February 2, 2005, before me Nancy C. Clarke, personally appeared Charles M. Prior, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature Nancy C. Clarke (Seal)

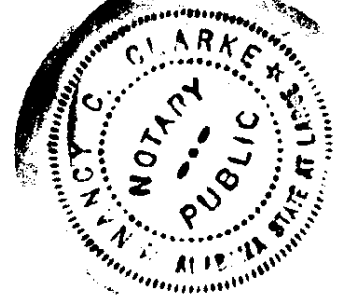


EXHIBIT A

DOCUMENT	DATE OF DOCUMENT	RECORDING INFORMATION *
<i>"Note"</i> \$4,000,000.00 Promissory Note executed by Seller as maker/borrower to Protective Life Insurance Company as payee/Lender	August 1, 2003	N/A
<i>"Indenture"</i> Decd of Trust, Security Agreement and Fixture Filing Financing Statement to Legacy Land Title Company, as Trustee for the benefit of Lender, as beneficiary;	August 1, 2003	Book 8864, Page 3398
Assignment of Rents and Leases	August 1, 2003	Book 8864, Page 3434

* indicates where recorded in the Register's Office of Salt Lake County, Utah

**LEGAL DESCRIPTION
EXHIBIT "B"**

Parcel 1:

Beginning at a point on the East line of 2300 East Street, said point being South 0°14'40" West 40.01 feet and South 89°51'30" East 33.00 feet from the North quarter corner of Section 27, Township 2 South, Range 1 East, Salt Lake Base and Meridian; and running thence South 89°51'30" East 830.752 feet; thence South 39°30'00" East 116.859 feet; thence South 39°10'00" West 243.69 feet; thence South 45°11'35" West 720.00 feet; thence South 66°22'30" West 102.47 feet; thence North 89°45'20" West 150.00 feet to the East line of 2300 East Street; thence North 0°14'40" East 828.99 feet to the point of beginning.

The following is shown for information purposes only: Tax ID No. 22-27-201-001, -002, -003, -004, -005, -006, -007, & -008

Parcel 2:

Non-exclusive easements as established by Covenants dated August 1, 1976, recorded August 26, 1976, as Entry No. 2849657, in Book 4315, at Page 174 of the official records over and across the following described parcel of land:

Beginning at a point South 0°14'40" West 33.0 feet and South 89°51'30" East 857.94 feet from the North quarter corner of Section 27, Township 2 South, Range 1 East, Salt Lake Base and Meridian, and running thence South 89°51'30" East 260.06 feet to a point of a 15.0 foot radius curve to the right; thence Easterly and Southerly along the arc of said curve 23.56 feet to a point of tangency on the West line of Promenade Drive; thence South 0°08'30" West along said West line 102.52 feet to a point of a 15.0 foot radius curve to the right; thence Southwesterly along the arc of said curve 22.51 feet to a point of a reverse curve to the left on the North line of Cinnebar Lane, the radius point of said curve being South 3°51'30" East 200.0 feet; thence Southwesterly along the arc of said curve and North line 124.41 feet; thence North 39°30' West 231.14 feet to the point of Beginning.

Excepting therefrom the North 7.0 feet thereof conveyed to Salt Lake County