
MORTGAGE LOAN PURCHASE AGREEMENT

by and between

HAREFF TORRANCE LLC, a Delaware limited liability company

Purchaser,

and

BORDERS, INC., a Colorado corporation

Seller.

Dated: June __, 2011.

MORTGAGE LOAN PURCHASE AGREEMENT

This Mortgage Loan Purchase Agreement ("Agreement"), is entered into as of June ___, 2011, executed between **HAREFF TORRANCE LLC**, a Delaware limited liability company, having its office at 185 N.W. Spanish River Boulevard, Suite 100, Boca Raton, Florida 33431, Attn: Allen Lev, General Counsel ("Purchaser") and **BORDERS, INC.**, a Colorado corporation, having offices at 100 Phoenix Drive, Ann Arbor, Michigan 48108 Attn: Margaret Dearden Petersen, Esq. ("Seller").

RECITALS

A. On February 16, 2011, the Seller and certain of its affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the "Bankruptcy Code") and thereby commenced cases (individually, a "Case" and collectively, the "Cases") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court");

B. Seller owns all right, title and interest in and to that certain mortgage loan described on Exhibit A (the "Mortgage Loan").

C. Seller desires to sell to Purchaser, and Purchaser desires to purchase from Seller, all of the Seller's right, title and interest in and to the Mortgage Loan, free and clear of all liens, claims, interests, and encumbrances, pursuant to sections 105 and 363 of the Bankruptcy Code.

D. Seller and Purchaser wish to prescribe the manner of the conveyance of the Mortgage Loan.

NOW, THEREFORE, in consideration of the premises and mutual agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Purchaser and Seller, respectively, agree as follows:

ARTICLE I

Section 1.01. Definitions. For purposes of this Agreement the following capitalized terms shall have the respective meanings set forth below.

Allonge: The allonge attached to this Agreement as Exhibit B.

Approval Order: An order from and entered by the Bankruptcy Court, containing findings and conclusions and otherwise in a form acceptable to Seller and Purchaser, approving (i) this Agreement in its entirety and the sale of all of Seller's right, title and interest in and to the Mortgage Loan and related documents to Purchaser, free and clear of all liens, claims, interests, and encumbrances, and (ii) the Participation Agreement in its entirety, all pursuant to sections 105 and 363 of the Bankruptcy Code.

Assignment of Mortgage: The Assignment attached to this Agreement as Exhibit C.

Closing Date: As soon as reasonably practicable after 1:00 p.m. ET on the date that is one (1) business day after the Approval Order becomes a Final Order (anticipated to be July 29, 2011), or such other date as agreed by Seller and Purchaser, at a designated office of the Closing Escrow Agent, provided, that, if the Approval Order becomes a Final Order before July 28, 2011, closing will be as soon as reasonably practicable after 1:00 p.m. ET on the date that is two (2) business days after the Approval Order becomes a Final Order. If the Approval Order becomes a Final Order prior to July 28, 2011, and the title company has not irrevocably committed by the scheduled Closing Date to issue the title endorsement in form reasonably acceptable to Purchaser upon recordation of the Assignment of Mortgage, then Purchaser shall have the right to extend the Closing Date to a date not later than July 29, 2011, by delivering written notice thereof to Seller.

Closing Escrow Agent: Akerman Senterfitt, Attorneys at Law, West Palm Beach, Florida.

Collateral Property: With respect to the Mortgage Loan, the Mortgage and other collateral documents and accounts (if any) securing such Mortgage Loan, including, without limitation, any security agreements, UCC Financing Statements, debt service reserve or escrow accounts (if any), pledge agreements, assignments, acknowledgements of assignments, guaranties, title insurance policies, tax and insurance escrows or deposits or escrows of any kind, other insurance policies and other documents, agreements or instruments under which legal rights or obligations are created or exist, if any, provided to Seller solely in its capacity as owner of the Mortgage Loan to secure repayment of the Mortgage Loan.

Final Order: An order of the Bankruptcy Court that (i) has not been reversed, vacated, modified, amended or reconsidered and (ii) as to which (a) the time to file an appeal or motion to vacate, modify, amend or reconsider has expired and no appeal or motion to vacate, modify, amend or reconsider has been timely filed, or (b) any appeal that has been filed but has not been stayed by order of a court with proper jurisdiction or, if stayed by order of a court with proper jurisdiction, has been resolved by the highest court to which the order appealed may be taken.

Insurance Policy: With respect to the Mortgage Loan, any hazard insurance policy, flood insurance policy, title policy or other insurance policy that is maintained from time to time in respect of such Mortgage Loan.

Lease: The Lease dated as of November 10, 1994 between NCC Torrance/B Associates Limited Partnership as landlord and Seller as tenant, as modified pursuant to a letter dated March 26, 2003 from Seller, as tenant, to Mortgagor, as landlord, which letter Mortgagor acknowledged and agreed to pursuant to a Landlord Estoppel Certificate dated April 20, 2009; the rights and obligations of NCC Torrance/B Associates Limited Partnership as landlord have been assigned to, and assumed by, the Mortgagor.

Lender/Creditor Approval: Approval of the requisite agents and lenders under the Seller's DIP credit facility and approval of the Official Committee of Unsecured Creditors appointed in the Cases.

Loan Documents: The loan documents listed on Exhibit D attached hereto.

Mortgage: The deed of trust described on Exhibit D securing repayment of the Mortgage Note and creating a first lien upon the Mortgaged Property.

Mortgage Files: All documents and items pertaining to the Mortgage Loan in the possession of, or available to, the Seller, and any and all Collateral Property.

Mortgage Loan: The mortgage loan sold to the Purchaser pursuant to this Agreement and identified in Exhibit A. As used herein the term "Mortgage Loan" includes, without limitation, all documents included in the Mortgage Files, all documents evidencing, securing or guaranteeing the Mortgage Loan and all other rights, benefits, proceeds and obligations arising from or in connection with the Mortgage Loan.

Mortgage Note: The original executed note(s) or other evidence of the indebtedness for which the Mortgage secures repayment.

Mortgaged Property: The real property securing repayment of the Mortgage Note.

Mortgagee: Seller, as the successor to the mortgagee or beneficiary named in the Mortgage.

Mortgagor: Torrance Borders Partners, Ltd., a California limited partnership, as the current obligor on the Mortgage.

Participation Agreement: The Participation and Servicing Agreement of even date herewith between Purchaser, as lead lender and servicer, and Seller, as participant, concerning the Mortgage Loan.

Person: An individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, legal entity, unincorporated organization or government or any agency or political subdivision thereof.

Protective Advances: Any sums that Seller advances pursuant to the Loan Documents to protect the security for repayment of the Mortgage Loan, including, but not limited to, taxes and insurance.

Stated Principal Balance: With respect to the Mortgage Loan, the unpaid principal balance of the Mortgage Loan outstanding at 1:00 p.m. ET on the Closing Date, which may include any Protective Advances.

UCC Financing Statement: A financing statement executed and filed pursuant to the Uniform Commercial Code, as in effect in the relevant jurisdiction.

ARTICLE II

Section 2.01. Purchase and Sale of Mortgage Loan. Subject to the terms and conditions and in reliance upon the representations and warranties herein set forth, and pursuant to sections 105 and 363 of the Bankruptcy Code, Seller agrees to sell, assign and convey to Purchaser without recourse and Purchaser agrees to purchase and accept from Seller, free and clear of all liens, claims, interests, and encumbrances, all of Seller's right, title and interest in and to the Mortgage Loan identified on Exhibit A and the Loan Documents identified on Exhibit D, together with all Collateral Property, AS-IS, and without recourse, representation or warranty of any kind whatsoever except as specifically set forth in this Agreement. Upon receipt of the Purchase Price at Closing, Seller shall deliver to Purchaser the documents and items described below, and the ownership of all right, title and interest in and to such documents and items, including without limitation the contents of the related Mortgage Files, and the Mortgage Loan, shall absolutely and irrevocably vest in Purchaser, effective as of the Closing Date.

Section 2.02. Purchase Price. The Purchase Price for the Mortgage Loan shall be the Stated Principal Balance of the Mortgage Loan as of 1:00 p.m. ET on the Closing Date. At Closing, Purchaser shall pay the Purchase Price to Seller by wire transfer in immediately available funds.

Section 2.03. Transfer of Debt Service Funds. On the Closing Date, Seller shall transfer all funds constituting debt service funds ("Debt Service Funds") to Purchaser.

Section 2.04. Condition Precedent; Bankruptcy Court Order. Promptly after the execution of this Agreement by Seller and Purchaser, Seller shall file a motion with the Bankruptcy Court, upon notice to all creditors and parties in interest in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and other applicable rules or orders, requesting entry of the Approval Order. Seller shall use its commercially reasonable efforts to obtain entry of the Approval Order, and Purchaser agrees to use its commercially reasonable efforts to assist Seller in obtaining entry of the Approval Order. The Closing of purchase and sale transactions under this Agreement shall be subject to the condition that the Approval Order is a Final Order. If the Approval Order does not become a Final Order, then Closing Escrow Agent shall return all documents and funds delivered by the parties to the party that so delivered such documents and/or funds, this Agreement shall terminate, and the parties shall have no further liabilities under this Agreement, other than those that expressly survive termination as provided herein.

Section 2.05. Closing Expenses. Except as otherwise expressly provided herein, whether or not the transactions contemplated hereunder are completed, Purchaser and Seller each shall be responsible for the payment of their due diligence investigation and expenses in negotiating and carrying out obligations under this Agreement, including, without limitation, that each party shall pay its own attorneys' fees and costs. Purchaser and Seller shall split equally the costs and expenses incurred for recordation of the Assignment of Mortgage, UCC financing statements and any other documents necessary to evidence the transfer of the Mortgage Loan to Purchaser. Purchaser shall pay the cost of obtaining the title policy endorsement, insuring Purchaser as the new holder of the beneficial interest in the Mortgage.

Section 2.06. Closing. No later than two (2) business days prior to the Closing Date, and as a condition to Purchaser's obligations hereunder, Seller shall have delivered to Closing Escrow Agent the following documents and items, to be held in escrow until Closing:

- (a) The Mortgage Files.
- (b) The original Mortgage Note, and original copies of all prior assignments or endorsements, endorsed to Purchaser by Allonge (this may be provided one (1) business day before the Closing Date).
- (c) The original Mortgage, or a copy thereof containing recording information.
- (d) The policy of title insurance or a complete copy thereof.
- (e) Originals of all modification agreements, if any.
- (f) Originals of all guaranties, if any, together with reaffirmations of same.
- (g) Copies of any UCC-1 Financing Statements.
- (h) UCC-3 assignments of the UCC-1 Financing Statements relating to the Mortgage Loan, from Seller to Purchaser.
- (i) An assignment of Seller's security interest in and to any Debt Service Funds securing repayment of the Mortgage Loans, if applicable.
- (j) The Allonge and Assignment of Mortgage.
- (k) A loan estoppel statement in form and content acceptable to Purchaser and certified as true and correct by Seller, showing the loan balance, escrow balances and amount of accrued but unpaid interest for the Mortgage Loan, and status of defaults, if any.
- (l) Certificate of Incumbency, concerning signatory acting on behalf of Seller.
- (m) Evidence of insurance on the Mortgaged Property, naming Purchaser as mortgagee and additional insured.
- (n) Tenant Estoppel Certificate certified as true and correct from the sole tenant at Mortgaged Property, together with a Subordination, Non-disturbance and Attornment Agreement, including a

reaffirmation of Lease, executed by Seller, as tenant, and Purchaser, as lender, running in favor of Purchaser. The Tenant Estoppel Certificate shall include a certified rent chart, the amounts of any prepaid rent or escrow accounts, the status of defaults, if any, and an affirmation that Seller is the sole tenant and occupant of the Mortgaged Property.

- (o) Release of Specified Collateral from GA Capital, LLC, as administrative agent, and any other creditors that have any interests in the Mortgage Loan, releasing all liens, security interests and pledges in favor of such creditors encumbering or affecting the Mortgage Loan.
- (p) Executed Participation Agreement between Seller and Purchaser concerning the Mortgage Loan approved by the Bankruptcy Court pursuant to a Final Order.
- (q) The debt service fund of \$530,526.00 as of the Closing Date.
- (r) Payment for 2010 real estate taxes at the Property, to the extent there are amounts due and not paid as of the Closing Date.
- (s) Executed Closing Statement in form and content acceptable to Purchaser and Seller.

Upon receipt of the foregoing documents, the Closing Escrow Agent shall promptly deliver copies of all of the foregoing documents to Purchaser for review. Except for the documents attached hereto as exhibits, which will be in the form prescribed on the applicable exhibit, all documents to be executed and delivered by either party in connection with this transaction, including, without limitation, the loan estoppel certificate, the tenant estoppel certificate, the subordination, non-disturbance and attornment agreement and the Participation Agreement, must be satisfactory to both parties, in each party's sole and unfettered discretion. To the extent that the documents are not satisfactory to both parties, then either party shall have the option to terminate this Agreement at any time prior to the Closing by written notice to the other party, whereupon all closing documents delivered by either party shall be promptly returned to the delivering party, and neither party shall have any further obligations hereunder, other than those that specifically survive termination. In addition, if any of the Loan Documents delivered by Seller in escrow pursuant to this Section are not in the form delivered to Purchaser prior to the date hereof, or if, on the Closing Date, the title company issuing the title policy endorsement has not irrevocably committed to issue the title policy endorsement in form reasonably acceptable to Purchaser upon the recordation of the Assignment of Mortgage in the applicable public records, then Purchaser shall also have the option to terminate this Agreement in accordance with this Section.

The parties acknowledge and agree that the Participation Agreement and each party's performance thereunder is an integral and integrated part of this Agreement and that Purchaser

and Seller would not enter into this Agreement or close the transaction contemplated herein without the obligation of each party to enter into and perform the Participation Agreement included herein as an integral part hereof.

Provided that neither party has previously terminated this Agreement and that all conditions to Closing have been satisfied, Purchaser shall, prior to 1:00 p.m. ET on the Closing Date, wire transfer the Purchase Price to the Closing Escrow Agent. Upon Closing Escrow Agent's confirmation of receipt of the Purchase Price, Closing Escrow Agent shall release the documents described above from escrow and deliver same to Purchaser by overnight courier service initiated no later than the business day following the Closing Date. Funds delivered by Seller to Closing Escrow Agent shall be delivered by wire transfer of immediately available funds as soon as reasonably practicable after 1:00 p.m. ET on the Closing Date.

In the event any of the originals of the foregoing Loan Documents cannot be made available, Seller shall provide lost loan document affidavits in form and content reasonably satisfactory to Purchaser and the title company issuing the title policy endorsement.

Section 2.07 Notification to Borrower. Within one business day subsequent to consummation of the purchase of the Mortgage Loan, Seller shall notify the Mortgagor in writing that Purchaser has acquired the Mortgage Loan and that all future communications concerning the Loan should be directed to the Purchaser. This provision shall survive the delivery of the Mortgage Note to Purchaser.

Section 2.08. Continuing Cooperation. At any time, and from time to time after the Closing Date, upon the reasonable request of a party, and at the expense of the requesting party, the other party shall do, execute, acknowledge and deliver, and shall cause to be done, executed, acknowledged and delivered, all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney, and assurances as may be reasonably required in order better to accomplish any provision herein, including that good, unencumbered and perfected first priority title to the Mortgage Loan is fully vested in Purchaser. This provision shall survive the delivery of the Mortgage Note to Purchaser.

Section 2.09 Waiver of Default. Purchaser hereby agrees that any default or event of default under the Loan Documents caused by the commencement of the Cases is hereby waived and Purchaser may not declare a default or event of default or exercise any rights or remedies under the Loan Documents due solely to the commencement of the Cases by Seller (in its capacity as tenant under the Lease) or its affiliates. Nothing herein shall be deemed a waiver of (i) any default caused by any actions or inactions of Seller either before or during such Cases, or (ii) any other actions or inactions other than the commencement of the Cases.

ARTICLE III

Section 3.01. Representations, Warranties and Agreements of Seller. Seller represents, warrants and covenants with Purchaser as of the Closing Date that subject to Bankruptcy Court

approval and Lender/Creditor Approval of the transactions contemplated by this Agreement and all related documents, including, without limitation, the Participation Agreement:

(a) Seller has full power, authority and legal right to execute and deliver, engage in the transactions contemplated by, and perform and observe the terms and conditions of this Agreement.

(b) This Agreement has been duly authorized, executed and delivered by Seller, and (assuming the due authorization, execution and delivery hereof by Purchaser), constitutes the valid, legal and binding agreement of Seller, enforceable against Seller in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).

(c) Seller has the full power and authority to hold the Mortgage Loan, to sell the Mortgage Loan, to execute, deliver and perform, and to enter into and consummate all transactions contemplated by this Agreement.

(d) Neither the sale of the Mortgage Loan by Seller, nor the execution or delivery of this Agreement, nor the consummation of any of the transactions herein or therein contemplated, nor the fulfillment of the terms hereof or thereof, will result in the breach of any term or provision of any agreement of Seller, or conflict with, result in a breach, violation or acceleration of or constitute a default under any material term of any indenture or other agreement or instrument to which Seller is a party or by which Seller is bound, or any statute, order or regulation applicable to Seller of any court, regulatory body, administrative agency, governmental body or arbitrator having jurisdiction over Seller. Seller is not in breach or violation of any indenture or other agreement or instrument to which it is a party or by which it is bound, or subject to or in violation of any statute, order or regulation of any court, regulatory body, administrative agency or governmental body having jurisdiction over it, which materially and adversely affects, or may in the future materially and adversely affect its ability to perform its obligations under this Agreement.

(e) There are no actions, proceedings or investigations pending or threatened against Seller which would draw into question the validity of this Agreement or any action taken or to be taken by Seller in connection with the transactions contemplated hereby, or which would be likely to impair materially the ability of Seller to perform under the terms of this Agreement.

(f) Except for the approval of the Bankruptcy Court pursuant to the entry of the Approval Order, no other consent, approval, authorization or order of any court or governmental agency or body is required for the execution, delivery and performance by Seller of or compliance by Seller with this Agreement, the sale of the Mortgage Loan or the consummation of the transactions contemplated by this Agreement

Section 3.02. Representations and Warranties of Seller Regarding Mortgage Loan. Seller represents and warrants to Purchaser as of the Closing Date that subject to Bankruptcy

Court approval and Lender/Creditor Approval of the transactions contemplated by this Agreement and all related documents, including, without limitation, the Participation Agreement:

(a) Seller is the sole legal and beneficial owner and holder of all right, title and interest in and to the Mortgage Loan and the Mortgage, free and clear of any and all liens, claims, interests, or encumbrances.

(b) Except as provided in the Release of Specified Collateral expressly provided for in this Agreement and any other liens released by the Approval Order, Seller has not transferred, assigned, sold, conveyed, hypothecated, or otherwise alienated the Mortgage Loan, the Collateral Property or any of their component parts, including without limitation any right to service or administer the Mortgage Loan. To Seller's best knowledge, without investigation by third parties, (i) the Loan Documents (copies of which have been delivered to Purchaser prior to the date hereof) comprise all of the documents, instruments, and undertakings by Seller and its affiliates in connection with the Mortgage Loan, other than those documents described in Section 3.06(c) which are no longer in effect, and (ii) the copies of the Mortgage Files previously delivered to Purchaser are true, correct, and complete copies thereof.

(c) The Mortgage Loan has not been satisfied, canceled, subordinated or rescinded and the Mortgaged Property has not been released from the lien of the Mortgage, in whole or in part, except as disclosed in the Mortgage Files.

(d) To Seller's knowledge, without third party investigation, there are no defaults, or events which, with the mere passage of time or giving of notice, would constitute a default, under the Lease or the Loan Documents.

(e) The Stated Principal Balance as of the Closing Date is \$6,608,000 and the debt service fund is \$530,526.00 as of the Closing Date.

Section 3.03. Representations, Warranties and Agreement of Purchaser. Purchaser represents and warrants to Seller that as of the Closing Date:

(a) Purchaser has been duly organized and is validly existing in good standing under the laws of the state of its organization.

(b) Purchaser has the full power, authority and legal right to execute and deliver, engage in the transactions contemplated by, and perform and observe the terms and conditions of this Agreement.

(c) This Agreement has been duly and validly authorized, executed and delivered by Purchaser and (assuming the due authorization, execution and delivery hereof by Seller) constitutes the valid, legal and binding agreement of Purchaser enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).

(d) Purchaser has the full power and authority to hold the Mortgage Loan, to purchase the Mortgage Loan, and to execute, deliver and perform all transactions contemplated by this Agreement and the closing obligations of Purchaser are not contingent on financing.

Section 3.04. Brokers. Except for Seller's relationship with Mortgage Corporation of America ("MCA"), neither Seller nor Purchaser has had any dealings with any agent, broker or other similar party in connection with this transaction and no broker or person is entitled to any commission or finder's fee or compensation in connection with the proposed transactions based upon any undertakings by Seller or Purchaser. Seller shall pay any commissions, fees, or other compensation due or owing to MCA pursuant to separate agreement. Each party to this transaction agrees to indemnify the other against any losses, damages or expenses (including reasonable attorneys' fees) suffered if any such representations and warranties set forth above are breached. Notwithstanding anything contained in this Agreement to the contrary, this representation shall survive the delivery of the Mortgage Note to Purchaser.

Section 3.05. Survival Representations and Warranties; Remedies for Breaches. It is understood and agreed that the representations and warranties set forth in Sections 3.01, 3.02 and 3.03 shall survive the delivery of the Mortgage Note to Purchaser notwithstanding any restrictive or qualified endorsement. Upon discovery by the Seller or the Purchaser of a breach of any of the foregoing representations and warranties which materially and adversely affects the value of the Mortgage Loan or the interest of the Purchaser in the Mortgage Loan, the party discovering such breach shall give prompt written notice to the other party. Within 45 days of discovering or receiving notice of any such breach of a representation or warranty (provided that such discovery by Seller is made or such notice is delivered to Seller prior to expiration of the representations and warranties as provided above), Seller shall cure such breach in all material respects.

Section 3.06 Seller's and Purchaser's Disclaimers and Acknowledgements.

(a) This is an "AS IS" "WHERE IS" sale, without recourse or warranty from Seller, either express or implied, other than those contained in the documents delivered at Closing and the limited warranties set forth in Sections 3.01 and 3.02 hereof. Notwithstanding anything to the contrary set forth in this Agreement, except as set forth below, Purchaser's sole recourse against Seller for any breach of the limited warranties set forth in Sections 3.01 and 3.02 hereof shall be to setoff any amounts owing by Seller to Purchaser against obligations owing by Purchaser to Seller pursuant to the Participation Agreement. Notwithstanding the foregoing, Purchaser shall have all remedies available to it at law and equity in the event of a breach of the limited warranties set forth in Sections 3.02(a), (b), (c), or (e).

(b) Seller makes no representation as to the completeness or accuracy of any evaluation materials that Purchaser may have reviewed in the course of its due diligence, including but not limited to information and documentation delivered to Seller by the Mortgagor, borrower or any guarantor. Notwithstanding the foregoing, Seller has no reason to believe that either the Lease or the Mortgage Files, including, without limitation, the Loan Documents, are incomplete or inaccurate.

(c) Notwithstanding the foregoing, or anything to the contrary herein, neither this Agreement, nor the transactions contemplated hereby, nor any instruments executed in connection herewith, shall affect (i) any entity's obligations and/or responsibilities under any of the Loan Documents (other than those of the parties hereto to the extent expressly modified hereunder or in the documents delivered at Closing) or (ii) Seller's, or its affiliates, or any other entity's obligations and/or responsibilities under the Lease, or any instruments related to the Lease, such as indemnities, or other similar instruments in connection with Seller's capacity as tenant/lessee under the Lease (and any affiliate or other entity's capacity in relation thereto), including, without limitation, the obligation that Seller shall continue to make all rental payments due under the Lease directly to the holder of the Mortgage Note as set forth in the applicable Loan Documents. The provisions of this Section 3.06(c) shall survive the delivery of the Mortgage Note to Purchaser. Purchaser acknowledges that (i) the Note Put Agreement dated November 10, 1994 among Kmart Corporation, Seller and National Tenant Finance Corporation and delivered in connection with the Mortgage Note is of no force or effect, (ii) the Consent and Agreement dated as of November 10, 1994 among Kmart Corporation, Seller, in its capacity as tenant, National Finance Corporation, NCC Torrance/B Associates Limited Partnership and United States Trust Company of New York is of no force or effect, and (iii) the lease guaranty executed by Kmart Corporation with respect to the Lease is of no force or effect.

Section 3.07. Consummation of Transaction; Satisfaction of Obligations under this Agreement. Upon receipt of the Purchase Price by Seller, and the delivery by Seller to Purchaser of the documents and items described in Section 2.06 hereof meeting the requirements of this Agreement, (a) the conveyance of the Mortgage Loan to Purchaser shall be complete and title to the Mortgage Loan shall be fully vested in Purchaser, and (b) the obligations of the parties under this Agreement will be deemed satisfied, subject, however, to the survival of the provisions in this Agreement which expressly provide that such provision shall survive the delivery of the Mortgage Note to Purchaser.

ARTICLE IV

Section 4.01. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given: (a) upon receipt if delivered personally (unless subject to clause (b)) or if mailed by registered or certified mail return receipt requested, postage prepaid; (b) at 3:00 p.m. Eastern Time on the business day after dispatch if sent by a nationally recognized overnight courier or (c) upon the completion of transmission (which is confirmed by telephone or by a statement generated by the transmitting machine) if transmitted by telecopy or other means of facsimile which provides immediate or near immediate transmission to compatible equipment in the possession of the recipient, in any case to the parties at the following addresses or telecopy numbers (or at such other address or telecopy number for a party as will be specified by like notice):

if to Seller:

Borders, Inc.
100 Phoenix Drive
Ann Arbor, Michigan 48108
Attn: John Sappington

If to Purchaser:

Hareff Torrance LLC
185 NW Spanish River Boulevard
Boca Raton, Florida 33431
Attn: Lee Cherney

Telephone: (734) 477-1324
Telecopy: (734) 477-1366
Email: jsapping@bordersgroupinc.com

With copy to:

Margaret Dearden Petersen, Esq.
Borders Group, Inc.
100 Phoenix Drive
Ann Arbor, Michigan 48108
Telephone: (734) 477-1297
Telecopy: (734) 477-1285
Email: mpeterse@bordersgroup.com

Telephone: (561) 620-9200 X 111
Telecopy: (561) 955-9921
Email: lcherney@kinproperties.com

With copy to:

Allen P. Lev, Esq.
General Counsel
Kin Properties, Inc.
185 N.W. Spanish River Blvd., Suite 100
Boca Raton, Florida 33431
Telephone: (561) 620-9200 X 171
Telecopy: (561) 431-4642
Email: Alev@kinproperties.com

ARTICLE V

Section 5.01. Counterparts. This Agreement may be executed in several counterparts each of which shall constitute an original, but all of which together shall constitute one instrument notwithstanding that all parties are not signatories to the same counterparts.

Section 5.02. Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties with respect to the matters and transactions contemplated by this Agreement and supersedes any prior agreement and understandings with respect to those matters and transactions.

Section 5.03. Amendments. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

Section 5.04. Exhibits. The exhibits to this Agreement are incorporated and made a part hereof and are an integral part of this Agreement.

Section 5.05. Payment in Lieu of Interest Earnings. The parties acknowledge that, pursuant to that certain letter from Seller to Mortgagor dated March 26, 2003, Seller is obligated to pay to Mortgagor the sum of \$12,571.56 as Additional Rent under the Lease by Seller no later than November 1st of each year during the term of the Lease (the "Payment in Lieu of Interest Earnings"). If Seller pays the Payment in Lieu of Interest Earnings to Mortgagor on or prior to October 1st of each year, and provides evidence of such payment to Purchaser in accordance with this Section but in any event no later than October 25th of each year, then, within five (5) business days of Purchaser's timely receipt of evidence from Seller that such payment of Additional Rent has been made to Mortgagor, Purchaser will reimburse Seller for the Payment in Lieu of Interest Earnings for such year, provided that at the time such reimbursement is due, the Mortgage Loan is not in default. Seller shall provide evidence to Purchaser that the Payment in Lieu of Interest Earnings was made to Mortgagor, within five (5) business days of making such payment to Mortgagor; provided, however if Purchaser does not receive evidence of such payment by October 10th of any year, then Purchaser shall notify Seller of its failure to provide

such evidence of payment, and requesting that evidence of such payment be sent to Purchaser within five (5) business days after receipt of Purchaser's notice. Notwithstanding the foregoing, or anything to the contrary herein, if Seller does not so pay the Payment in Lieu of Interest Earnings to Mortgagor and provide evidence of such payment to Purchaser prior to October 25th of each year, then Purchaser shall have the right, but not the obligation, to pay the Payment in Lieu of Interest Earnings directly to such Mortgagor, and in such event Purchaser shall have no obligation to reimburse Seller for the payment for such year. Purchaser's and Seller's obligations under this Section 5.05 shall survive the delivery of the Mortgage Note to Purchaser and continue for the period that Purchaser is the owner of the Mortgage Note.

Section 5.06. Limitation of Damages. Notwithstanding anything contained herein to the contrary, Purchaser shall not be liable to Seller for any special, consequential or punitive damages, whether at law or equity.

Section 5.07. Governing Law, Jurisdiction and Venue. This Agreement shall be construed and interpreted in accordance with and shall be governed by the laws of the State of Florida without regard to principles of conflicts of law and irrespective of the fact that one or more parties hereto is now or may hereafter be a resident of a different state, jurisdiction or country. Any litigation between the parties arising from or related to this Agreement shall only be brought in the Bankruptcy Court until such time as Seller's Case is closed and thereafter in the US Federal District Court for the Southern District of Florida and the parties hereby agree to jurisdiction and venue in the US Federal District Court for the Southern District of Florida.

Section 5.08. Severability. In the case any provision in this Agreement shall be found by a court of competent jurisdiction to be invalid, illegal or unenforceable, such provision shall be construed and enforced as if it had been more narrowly drawn so as not to be invalid, illegal or unenforceable, and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

Section 5.09. Successors and Assigns. This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and their respective successors and assigns. Purchaser may assign its rights and obligations under this Agreement to an affiliate of or related party to Purchaser, whereupon the reference herein to "Purchaser" shall thereafter mean such assignee.

Section 5.10. Counterparts. This Agreement may be executed in counterparts; each of which shall constitute an original and which collectively shall constitute one agreement.

Section 5.11 Waiver of Trial by Jury. EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL, AT THE OPTION OF SELLER, BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

Section 5.12 Additional Bankruptcy Provisions; Authority. Pursuant to the Approval Order, any notices or demands issued under this Agreement and directed to Seller shall be authorized and permitted notwithstanding the pendency of the Cases or any stay in effect pursuant to section 362 or any other applicable provision of the Bankruptcy Code, and Seller shall be authorized to take any actions contemplated under this Agreement, without further notice or order of the Bankruptcy Court.

IN WITNESS WHEREOF, Seller and Purchaser have caused their names to be signed by their respective officers thereunto duly authorized as of the date first above written.

SELLER: **BORDERS, INC.**, a Colorado corporation

By: _____

Name: _____

Title: _____

[SIGNATURES CONTINUE ON NEXT PAGE]

PURCHASER:

HAREFF TORRANCE LLC, a Delaware limited liability company

By: Kinsan Management Corp., a Delaware corporation,
its Manager


By: 
Name: ANDREW M. SCHREIER
Title: VICE PRESIDENT

EXHIBIT A

MORTGAGE LOAN

Loan originally made by National Tenant Finance Corporation ("Original Lender") to NCC Torrance/B Associates Limited Partnership ("Original Borrower") in the original principal amount of \$7,049,000.00 with a Stated Principal Balance as of July 29, 2011 in the amount of \$6,608,000.00.

Current holder of the Loan: Borders, Inc.

Current Borrower / Mortgagee: Torrance Borders Partners, Ltd., a California limited partnership

EXHIBIT B

ALLONGE

Allonge to promissory note dated as of November 10, 1994 from NCC Torrance/B Associates Limited Partnership to United States Trust Company of New York in the original principal amount of \$7,049,000.00, now held by Borders, Inc., a Colorado corporation:

Pay to the order of **HAREFF TORRANCE LLC, a Delaware limited liability company**, without recourse, representation or warranty.

BORDERS, INC., a Colorado corporation

By: _____

Name: _____

Title: _____

Date: as of June __, 2011

STATE OF MICHIGAN
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of June __, 2011, by _____, as _____ of Borders, Inc., a Colorado corporation, on behalf of said corporation. He/She is personally known to me or has produced _____ as identification.

Notary Public, State of Michigan
My Commission Expires: _____
[SEAL]

EXHIBIT C

**ASSIGNMENT OF BENEFICIAL INTEREST IN DEED OF TRUST
AND ASSIGNMENT OF OTHER LOAN DOCUMENTS**

KNOW ALL PERSONS BY THESE PRESENTS: That **BORDERS, INC.**, a Colorado corporation, having an address at 100 Phoenix Drive, Ann Arbor, Michigan 48108, Attn: General Counsel ("Assignor") in consideration of the sum of **TEN AND NO/100 (\$10.00) DOLLARS**, and other valuable consideration received from or on behalf of **HAREFF TORRANCE LLC**, a Delaware limited liability company, having its office at 185 N.W. Spanish River Blvd., Suite 100, Boca Raton, Florida 33431, Attn: General Counsel ("Assignee"), at or before the ensembling and delivery of these presents, the receipt whereof is hereby acknowledged, and in accordance with the [Approval Order] [Docket No. ___] entered by the United States Bankruptcy Court for the Southern District of New York in the jointly administered chapter 11 cases styled *In re Borders Group, Inc., et al.*, Case No. 11-10614 (MG), does hereby grant, bargain, sell, assign, transfer and set over unto Assignee all of Assignor's beneficial right, title and interest in and to that certain Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing dated November 10, 1994 made by NCC Torrance/B Associates Limited Partnership, in favor of National Tenant Finance Corporation as beneficiary thereunder and Chicago Title Insurance Company, as Trustee thereunder, recorded in Recorder's Office, Los Angeles County, California on November 22, 1994 as Instrument No. 94-2103333 (the "Deed of Trust"). All of the beneficial interest in the Deed of Trust is now held by Assignor pursuant to that certain Assignment of Deed of Trust dated February 4, 2002 and recorded in Recorder's Office, Los Angeles County, California on January 14, 2004 as Instrument No. 04-0099054, upon the following described piece or parcel of land, situate and being in said County and State, to wit:

The real property described on Schedule A attached hereto.

Assignor further hereby grants, bargains, sells, assigns, transfers and sets over unto Assignee all of Assignor's right, title and interest in and to the Loan Documents described on Schedule B attached hereto and any and all related collateral assignments of rents, leases and profits, together with any and all other related loan documents, title policies and casualty insurance policies.

TO HAVE AND TO HOLD the same unto Assignee and its legal representatives, successors and assigns forever. This assignment is as-is, without recourse, warranty or representation of any nature or kind whatsoever, whether express or implied.

IN WITNESS WHEREOF, Assignor has set its hand and seal as of this ___ day of _____, 2011.

Signed, sealed and delivered in our presence: **BORDERS, INC.**, a Colorado corporation

Print name:

Print name:

By: _____

Name: _____

Title: _____

STATE OF MICHIGAN
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 2011, by _____, as _____ of Borders, Inc., a Colorado corporation, on behalf of said corporation. He/She is personally known to me or has produced _____ as identification.

Notary Public, State of Michigan
Acting in _____ County, Michigan
My Commission Expires: _____
[SEAL]

This instrument prepared by:
Paul B. Bernstein
Kin Properties, Inc.
185 N.W. Spanish River Boulevard
Suite 100
Boca Raton, Florida 33431

EXHIBIT C (continued)

**Schedule A to ASSIGNMENT OF BENEFICIAL INTERESTS IN DEED OF TRUST AND
ASSIGNMENT OF OTHER LOAN DOCUMENTS**

LEGAL DESCRIPTION OF REAL PROPERTY

PARCEL 1:

PARCEL 1 OF PARCEL MAP NO. 21798, IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 234 PAGES 79 THROUGH 81 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL MINERALS, OIL, GAS, PETROLEUM, AND OTHER HYDROCARBON SUBSTANCES, IN OR UNDER SAID LAND WITHOUT, HOWEVER, THE RIGHT OF ENTRY ON ANY PORTION OF THE SURFACE OF SAID LAND, EXCEPT THE WELL SITES LOCATED THEREON, TO EXPLORE AND DRILL FOR, DEVELOP, OR REMOVE SAID SUBSTANCES, BUT WITH THE FULL RIGHT TO EXPLORE AND DRILL FOR, DEVELOP, AND REMOVE ANY OR ALL SUCH SUBSTANCES FROM SAID WELL SITES AND FROM ANY OTHER PORTION OF SAID LAND WHICH IS 500 FEET OR MORE BELOW THE GROUND SURFACE, AND ALSO WITH THE FULL RIGHT TO DRILL UNDER OR THROUGH SAID LAND FROM SAID WELL SITES OR FROM ANY OTHER LOCATION OR LOCATIONS OFF OF SAID LAND TO OR THROUGH ANY POINT OR POINTS 500 FEET OR MORE BELOW THE GROUND SURFACE FOR THE EXPLORATION, DEVELOPMENT AND REMOVAL OF ANY OR ALL SUCH SUBSTANCES, ALL AS PARTICULARLY DESCRIBED IN PARAGRAPHS 1 THROUGH 6 INCLUSIVE, UNDER THE HEADING "EXCEPTIONS AND RESERVATIONS" ON PAGES 1 THROUGH 8, INCLUSIVE IN THE DEED FROM DEL AND ESTATE COMPANY, RECORDED APRIL 3, 1964 AS INSTRUMENT NO. 2470, IN BOOK D-2420 PAGE 189 OF OFFICIAL RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER; AND FURTHER, TO THE EXTENT (IF ANY) NOT PREVIOUSLY EXCEPTED IN SAID DEED EXCEPTING AND RESERVING TO GRANTOR, ITS SUCCESSORS AND ASSIGNS, THE FULL RIGHT, 500 FEET OR MORE BELOW THE GROUND SURFACE ONLY, TO EXPLORE, DRILL AND REDRILL FOR, DEVELOP, REMOVE AND DO ALL THINGS NECESSARY OR DESIRABLE TO REMOVE, BY PRIMARY, SECONDARY OR OTHER ENHANCED RECOVERY METHODS, ANY AND ALL SUCH SUBSTANCES FROM ANY PORTION OF SAID LAND WHICH IS BELOW 500 FEET BELOW THE SURFACE THEREOF, INCLUDING THE FULL RIGHT TO DRILL UNDER AND THROUGH, OR UNDER, OR THROUGH, SAID LAND FROM ANY LOCATION OR LOCATIONS OUTSIDE SAID LAND TO OR THROUGH ANY POINT OR POINTS 500 FEET OR MORE BELOW THE SURFACE THEREOF TO EXPLORE, DRILL AND REDRILL FOR, DEVELOP, REMOVE, AND DO ALL THINGS NECESSARY OR DESIRABLE TO REMOVE, BY PRIMARY, SECONDARY OR OTHER ENHANCED RECOVERY METHODS, MINERALS, OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES IN OR UNDER SAID LAND OR OTHER LAND, AS RESERVED BY DEED RECORDED JUNE 16, 1981 AS INSTRUMENT NO. 81-596779.

ALSO EXCEPT THEREFROM ALL OIL WELL PUMPS, OIL WELL PUMPING EQUIPMENT, DRILL EQUIPMENT, TANKS, PIPE LINES AND ALL STRUCTURES, EQUIPMENT AND FACILITIES WHETHER OR NOT AFFIXED TO THE REAL PROPERTY LOCATED UPON, UNDER OR WITHIN SAID WELL SITES ABOVE REFERRED TO, TOGETHER WITH ALL OF THE EASEMENTS AND ALL PIPE AND PIPE LINES FACILITES AND ALL UTILITY LINES AND UTILITY FACILITIES LOCATED WITHIN OR UNDER THE LAND WITHIN ANY OF THE EASEMENTS EXCEPTED AND RESERVED UNDER THE DEED FROM DEL AND ESTATE COMPANY, RECORDED IN BOOK D-2420 PAGE 189 OF OFFICIAL RECORDS.

PARCEL 2:

A PERMANENT, NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ACCESS TO AND USE OF PUBLIC, QUASI-PUBLIC OR PRIVATE SANITARY SEWER LINES AND OTHER PHYSICAL STRUCTURES, AND EQUIPMENT AND FACILITIES APPURTENANT THERETO, OVER, ALONG AND ACROSS THAT PORTION OF LOT 1 OF TRACT NO. 45010, IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 1100 PAGES 27 THROUGH 32 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING A 10.00 FOOT WIDE STRIP OF LAND, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WESTERLY LINE OF SAID LOT 1, DISTANT NORTH 7 DEGREES 49 MINUTES 50 SECONDS WEST 30.29 FEET FROM THE SOUTHWEST CORNER OF SAID LOT; THENCE SOUTH 89 DEGREES 56 MINUTES 00 SECONDS EAST 156.34 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 60 DEGREES 04 MINUTES 00 SECONDS EAST 105.00 FEET; THENCE NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 393.00 FEET; THENCE NORTH 73 DEGREES 52 MINUTES 00 SECONDS EAST 31.95 FEET TO A POINT IN THAT CERTAIN COURSE IN THE NORTHERLY LINE OF THAT CERTAIN EASEMENT OF CIGNA HOTEL ASSOCIATES II RECORDED AS INSTRUMENT NO. 87-1333703, OFFICIAL RECORDS, ON AUGUST 20, 1987 DESCRIBED AS HAVING A BEARING AND LENGTH OF "SOUTH 44 DEGREES 56 MINUTES 00 SECONDS EAST 28.14 FEET". THE SIDELINES OF SAID 10.00 FOOT WIDE STRIP ARE TO BE PROLONGED OR SHORTENED SO AS TO TERMINATE NORTHERLY IN SAID ABOVE-MENTIONED NORTHERLY LINE AND SOUTHERLY IN A LINE HAVING A BEARING OF NORTH 14 DEGREES 56 MINUTES 00 SECONDS WEST THAT PASSES THROUGH SAID TRUE POINT OF BEGINNING.

PARCEL 3:

A PERMANENT, NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ACCESS TO AND USE OF PUBLIC, QUASI-PUBLIC, OR PRIVATE SANITARY SEWER LINES AND OTHER PHYSICAL STRUCTURES, AND EQUIPMENT AND FACILITIES APPURTENANT THERETO, OVER, ALONG AND ACROSS THAT PORTION OF LOT 1 OF TRACT NO. 45010, IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1100 PAGES 27 THROUGH 32 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING A 15.00 FOOT WIDE STRIP OF LAND, THE NORTHERLY LINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WESTERLY PROLONGATION OF THAT CERTAIN COURSE IN THE GENERAL NORTHERLY LINE OF SAID LOT 1, SHOWN ON SAID MAP AS HAVING A BEARING AND LENGTH OF "NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 720.45

FEET", DISTANT NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 42.10 FEET FROM THE WESTERLY TERMINUS THEREOF; THENCE ALONG SAID PROLONGATION, SAID LINE AND ITS EASTERLY PROLONGATION, SOUTH 89 DEGREES 56 MINUTES 00 SECONDS EAST 841.50 FEET TO THE SOUTHWESTERLY PROLONGATION OF THAT CERTAIN COURSE IN SAID GENERAL NORTHERLY LINE, SHOWN ON SAID MAP AS HAVING A BEARING AND LENGTH OF "SOUTH 45 DEGREES 40 MINUTES 28 SECONDS WEST 64.00 FEET"; THENCE ALONG SAID PROLONGATION AND SAID COURSE, NORTH 45 DEGREES 40 MINUTES 28 SECONDS EAST 143.95 FEET TO THE WESTERLY LINE OF LOT 3 OF SAID TRACT NO. 45010.

PARCEL 4:

A PERMANENT, NON-EXCLUSIVE EASEMENTS AND RIGHTS OF WAY FOR ACCESS TO AND USE OF PUBLIC, QUASI-PUBLIC, OR PRIVATE STORM DRAIN LINES AND OTHER PHYSICAL STRUCTURES, AND EQUIPMENT AND FACILITIES APPURTENANT THERETO, CONSISTING OF A STORM DRAIN EASEMENT LOCATED BENEATH THE SURFACE AND AN ABOVE-GROUND STORM DRAIN EASEMENT EACH AS DESCRIBED AS FOLLOWS:

STORM DRAIN:

THOSE PORTIONS OF LOT 1 OF TRACT NO. 45010, IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 1100 PAGES 27 THROUGH 32 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING (2) TWO STRIPS OF LAND, STRIP NO. 1 BEING 10.00 FEET IN WIDTH, LYING 5.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE AND STRIP NO. 2 BEING 15.50 FEET WIDE, THE NORTHERLY LINE BEING DESCRIBED AS FOLLOWS:

STRIP NO. 1:

BEGINNING AT A POINT IN THE WESTERLY LINE OF SAID LOT 1, DISTANT NORTH 7 DEGREES 49 MINUTES 50 SECONDS WEST 24.66 FEET FROM THE SOUTHWEST CORNER OF SAID LOT; THENCE NORTH 47 DEGREES 43 MINUTES 10 SECONDS EAST 54.51 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 22.50 FEET; THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 59 DEGREES 01 MINUTES 40 SECONDS, AN ARC DISTANCE OF 23.18 FEET; THENCE NORTH 11 DEGREES 18 MINUTES 30 SECONDS WEST 109.79 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 22.50 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 101 DEGREES 22 MINUTES 30 SECONDS, AN ARC DISTANCE OF 39.81 FEET; THENCE SOUTH 89 DEGREES 56 MINUTES 00 SECONDS EAST 170.40 FEET TO THE BEGINNING OF A TANGENT CURVE; THENCE SOUTH 89 DEGREES 56 MINUTES 00 SECONDS EAST 170.40 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHWESTERLY HAVING A RADIUS OF 22.50 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS, AN ARC DISTANCE OF 35.34 FEET; THENCE NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 205.72 FEET TO THE BEGINNING OF A CONCAVE CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 22.50 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS, AN ARC DISTANCE OF 35.34 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "A".

THE SIDELINES OF SAID STRIP ARE TO BE PROLONGED OR SHORTENED SO AS TO TERMINATE WESTERLY IN THE WESTERLY LINE OF SAID LOT 1.

STRIP NO. 2:

BEGINNING AT THE AFOREMENTIONED POINT "A"; THENCE NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 10.50 FEET TO A POINT IN THE WESTERLY PROLONGATION OF THAT CERTAIN COURSE IN THE GENERAL NORTHERLY LINE SHOWN ON SAID MAP AS HAVING A BEARING AND LENGTH OF "NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 720.45 FEET", SAID POINT BEING THE TRUE POINT OF BEGINNING; THENCE ALONG SAID PROLONGATION AND ALONG SAID COURSE, SOUTH 89 DEGREES 56 MINUTES 00 SECONDS EAST 266.50 FEET.

SURFACE DRAINAGE:

THAT PORTION OF LOT 1 OF TRACT NO. 45010, IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1100 PAGES 27 THROUGH 32 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT; THENCE SOUTH 89 DEGREES 56 MINUTES 00 SECONDS EAST 68.50 FEET ALONG THE SOUTHERLY LINE OF SAID LOT 1; THENCE NORTH 11 DEGREES 18 MINUTES 30 SECONDS WEST 165.03 FEET; THENCE SOUTH 89 DEGREES 56 MINUTES 00 SECONDS EAST 116.16 FEET; THENCE NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 34.50 FEET; THENCE SOUTH 89 DEGREES 56 MINUTES 00 SECONDS EAST 100.00 FEET; THENCE NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 253.62 FEET; THENCE NORTH 45 DEGREES 04 MINUTES 00 SECONDS EAST 39.74 FEET TO THE SOUTHEASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE GENERAL NORTHERLY LINE OF SAID LOT, SHOWN ON SAID MAP AS HAVING A BEARING AND LENGTH OF "SOUTH 44 DEGREES 56 MINUTES 00 SECONDS EAST 28.14 FEET"; THENCE ALONG SAID COURSE, NORTH 44 DEGREES 56 MINUTES 00 SECONDS WEST 28.14 FEET; THENCE SOUTH 45 DEGREES 04 MINUTES 00 SECONDS WEST 58.98 FEET; THENCE SOUTH 0 DEGREES 04 MINUTES 00 SECONDS WEST 193.41 FEET; THENCE SOUTH 89 DEGREES 56 MINUTES 00 SECONDS EAST 4.50 FEET; THENCE SOUTH 0 DEGREES 04 MINUTES 00 SECONDS WEST 39.50 FEET; THENCE NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 116.00 FEET; THENCE SOUTH 0 DEGREES 04 MINUTES 00 SECONDS WEST 36.50 FEET; THENCE NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 120.05 FEET; THENCE SOUTH 11 DEGREES 18 MINUTES 30 SECONDS EAST 106.64 FEET; THENCE SOUTH 47 DEGREES 43 MINUTES 10 SECONDS WEST 23.42 FEET TO THE WESTERLY LINE OF SAID LOT 1; THENCE ALONG SAID LINE, SOUTH 7 DEGREES 49 MINUTES 50 SECONDS EAST 67.10 FEET TO THE POINT OF BEGINNING.

PARCEL 5:

A PERMANENT, NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR A MULTIPLE-LANE ROADWAY WITH PAVING, CURBS, GUTTERS, LANDSCAPING AND DRAINAGE FACILITIES, VEHICULAR PEDESTRIAN INGRESS AND EGRESS, LOADING DOCK FACILITIES, AND UTILITIES OVER, UNDER, ALONG, UPON, AND ACROSS THAT PORTION OF LOT 1 OF TRACT NO. 45010, IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1100 PAGES 27 THROUGH 32 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 1, SAID CORNER BEING ALSO THE SOUTHWESTERLY CORNER OF LOT 3 OF SAID TRACT NO. 45010; THENCE ALONG THE SOUTHERLY LINE OF SAID LOT 1, NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 41.01 FEET TO THE SOUTHWESTERLY CORNER OF THAT CERTAIN 63.50 FOOT AND VARIABLE WIDTH EASEMENT OF THE CIGNA HOTELS ASSOCIATES - II AS PER DOCUMENT RECORDED ON NOVEMBER 19, 1987 AS INSTRUMENT NO. 87-1847537 OF OFFICIAL RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID EASEMENT, NORTH 14 DEGREES 32 MINUTES 34 SECONDS WEST 16.66 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 174.50 FEET, A RADIAL LINE TO SAID CURVE BEARS NORTH 59 DEGREES 20 MINUTES 59 SECONDS EAST, AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 13 DEGREES 40 MINUTES 31 SECONDS, AN ARC DISTANCE OF 41.65 FEET, AND NORTH 44 DEGREES 19 MINUTES 32 SECONDS WEST 6.32 FEET, TO THE INTERSECTION OF SAID SOUTHWESTERLY LINE WITH A NON-TANGENT CURVE, CONCAVE SOUTHERLY HAVING A RADIUS OF 35.00 FEET, A RADIAL LINE TO SAID CURVE BEARS NORTH 19 DEGREES 24 MINUTES 41 SECONDS EAST, SAID CURVE BEING IN THE SOUTHERLY LINE OF THAT CERTAIN 26.50 FOOT AND VARIABLE WIDTH EASEMENT OF THE CIGNA HOTEL ASSOCIATES - II AS PER DOCUMENT RECORDED ON AUGUST 20, 1987 AS INSTRUMENT NO. 87-1333703 OF SAID OFFICIAL RECORDS; THENCE WESTERLY ALONG SAID LINE AND SAID CURVE, THROUGH A CENTRAL ANGLE OF 63 DEGREES 40 MINUTES 54 SECONDS, AN ARC DISTANCE OF 68.90 FEET TO THE BEGINNING OF A REVERSE CURVE, CONCAVE NORTHWESTERLY HAVING A RADIUS OF 246.50 FEET AND SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 17 DEGREES 31 MINUTES 36 SECONDS, AN ARC DISTANCE OF 75.41, NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 630.83 FEET, SOUTH 0 DEGREES 4 MINUTES 00 SECONDS WEST 26.50 FEET, NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 200.80 FEET, SOUTH 45 DEGREES 04 MINUTES 00 SECONDS WEST 19.09 FEET, NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 33.14 FEET, NORTH 44 DEGREES 56 MINUTES 00 SECONDS WEST 37.49 FEET, NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 26.98 FEET, NORTH 45 DEGREES 04 MINUTES 00 SECONDS EAST 32.89 FEET AND NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 9.66 FEET; THENCE NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 90.88 FEET; THENCE NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 42.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 10.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS, AN ARC DISTANCE OF 15.71 FEET; THENCE SOUTH 0 DEGREES 04 MINUTES 00 SECONDS WEST 39.00 FEET; THENCE NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 60.67 FEET;

THENCE NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 64.00 FEET; THENCE NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 14.97 FEET; THENCE NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 25.00 FEET TO THE SOUTHERLY TERMINUS OF THAT CERTAIN COURSE IN THE GENERAL WESTERLY LINE OF SAID LOT 1, SHOWN ON SAID MAP OF TRACT NO. 45010 AS HAVING A BEARING AND LENGTH OF "NORTH 7 DEGREES 49 MINUTES 50 SECONDS WEST 25.22 FEET TO THE MOST NORTHERLY NORTHWESTERLY CORNER OF SAID LOT; THENCE EASTERLY ALONG THE VARIOUS COURSES IN THE NORTHERLY OF SAID LOT TO THE SOUTHWESTERLY LINE OF SAID LOT 3; THENCE SOUTHEASTERLY ALONG SAID SOUTHWESTERLY LINE TO THE POINT OF BEGINNING.

PARCEL 6:

A PERMANENT, NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR A MULTIPLE-LANE ROADWAY WITH PAVING, CURBS, GUTTERS, LANDSCAPING AND DRAINAGE FACILITIES, VEHICULAR AND PEDESTRIAN INGRESS AND EGRESS AND UTILITIES OVER, UNDER, ALONG, UPON AND ACROSS THAT PORTION OF LOT 1 OF TRACT NO. 45010, IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 1100 PAGES 27 THROUGH 32 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THAT CERTAIN PARCEL OF LAND DEEDED TO THE MARRIOTT CORPORATION, RECORDED ON APRIL 2, 1982 AS INSTRUMENT NO. 82-347877, OFFICIAL RECORDS OF SAID COUNTY, SAID PARCEL DESCRIBED AS PARCEL "A" IN THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED ON APRIL 2, 1982 AS INSTRUMENT NO. 82-347876 OF SAID OFFICIAL RECORDS; THENCE ALONG THE WESTERLY LINE OF SAID PARCEL, SOUTH 0 DEGREES 04 MINUTES 00 SECONDS WEST 26.50 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID WESTERLY LINE, SOUTH 0 DEGREES 04 MINUTES 00 SECONDS WEST 370.50 FEET TO THE NORTHERLY LINE OF THAT CERTAIN 54.50 FOOT EASEMENT PARCEL DESCRIBED IN THAT CERTAIN GRANT OF EASEMENT RECORDED ON APRIL 2, 1982 AS INSTRUMENT NO. 82-347879, OF SAID OFFICIAL RECORDS; THENCE ALONG SAID NORTHERLY LINE, NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 14.66 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 35.00 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 30 DEGREES 57 MINUTES 53 SECONDS EAST; THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 64 DEGREES 58 MINUTES 07 SECONDS, AN ARC DISTANCE OF 39.69 FEET; THENCE NORTH 5 DEGREES 56 MINUTES 00 SECONDS WEST 203.23 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY HAVING A RADIUS OF 522.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 6 DEGREES 00 MINUTES 00 SECONDS, AN ARC DISTANCE OF 54.66 FEET; THENCE NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 45.17 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 35.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS, AN ARC DISTANCE OF 54.98 FEET; THENCE SOUTH 89 DEGREES 56 MINUTES 00 SECONDS EAST 57.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 7:

A PERMANENT, NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ROADWAY PURPOSES, TO CONNECT THE MARRIOTT PARCEL B STREET EASEMENT TO THE EAST WITH HAWTHORNE BOULEVARD ON THE WEST.

SAID EASEMENT IS DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT 1 OF TRACT NO. 45010, IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 1100 PAGES 27 THROUGH 32 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT IN THAT CERTAIN EASTERLY LINE OF SAID LOT 1, SHOWN ON SAID MAP AS HAVING A BEARING AND LENGTH OF "NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 451.50 FEET", DISTANT NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 54.50 FEET FROM THE SOUTHERLY TERMINUS; THENCE PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 476.89 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 25.00 FEET; THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 28 DEGREES 58 MINUTES 22 SECONDS, AN ARC DISTANCE OF 12.64 FEET TO THE EASTERLY LINE OF HAWTHORNE BOULEVARD (156.00 FEET WIDE) AS SHOWN ON SAID MAP.

PARCEL 8:

A PERMANENT, NON-EXCLUSIVE EASEMENTS AND RIGHTS OF WAY FOR FIRE LANE PURPOSES TO PROVIDE ACCESS FOR FIRE AND EMERGENCY VEHICLES, SAID EASEMENT BEING DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF LOT 1 OF TRACT NO. 45010, IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 1100 PAGES 27 THROUGH 32 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

STRIP NO. 1:

A 20.00 FOOT WIDE STRIP OF LAND, THE NORTHERLY LINE BEING THAT CERTAIN COURSE IN LOT 1, SHOWN ON SAID MAP AS HAVING A BEARING AND LENGTH OF "SOUTH 89 DEGREES 53 MINUTES 45 SECONDS EAST 189.90 FEET". THE SIDELINES OF SAID STRIP ARE TO BE PROLONGED OR SHORTENED SO AS TO TERMINATE WESTERLY IN THE WESTERLY LINE OF SAID LOT 1 AND EASTERLY IN A LINE DRAWN SOUTHERLY AT RIGHT ANGLES TO SAID CERTAIN COURSE THROUGH THE EASTERLY TERMINUS OF SAID COURSE.

STRIP NO. 2:

A 20.0 FOOT WIDE STRIP OF LAND, BEGINNING AT A POINT IN THE SOUTHERLY LINE OF THAT CERTAIN EASEMENT FOR INGRESS AND EGRESS DESCRIBED IN EXHIBIT "C" IN EASEMENT AGREEMENT RECORDED AS INSTRUMENT NO. 87-1333703 ON AUGUST 20, 1987, SAID POINT BEING LOCATED IN THAT COURSE OF SAID EASEMENT DESCRIBED IN SAID DOCUMENT AS HAVING A BEARING AND LENGTH OF "NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 33.14 FEET, DISTANT SOUTH 89 DEGREES 56 MINUTES 00 SECONDS EAST 8.54 FEET FROM THE WESTERLY TERMINUS THEREOF; THENCE SOUTH 0 DEGREES 04 MINUTES 00 SECONDS WEST 215.21 FEET; THENCE NORTH 89 DEGREES 56 MINUTES 00 SECONDS WEST 20.00 FEET; THENCE NORTH 0 DEGREES 04 MINUTES 00 SECONDS EAST 226.67 FEET TO A POINT IN THE SOUTHERLY LINE OF SAID EASEMENT; THENCE ALONG SAID LINE, SOUTH 44 DEGREES 56 MINUTES 00 SECONDS EAST 16.21 FEET AND SOUTH 89 DEGREES 56 MINUTES 00 SECONDS EAST 8.54 FEET TO THE POINT OF BEGINNING.

PARCEL 9:

A PERMANENT, NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ROADWAY PURPOSES, AND TO MAINTAIN THE LAND ON WHICH THE OXFORD AMIE AVENUE EASEMENT IS LOCATED, SAID EASEMENT BEING DESCRIBED AS FOLLOWS:

THAT PORTION OF PARCEL 1 OF PARCEL MAP NO. 20688, IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED FILED IN BOOK 224 PAGES 30 THROUGH 32 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING WITHIN THAT CERTAIN ROADWAY EASEMENT OF OXFORD/CTX ASSOCIATES, PER INSTRUMENT NO. 89-589553, RECORDED ON APRIL 4, 1989; KELT CALIFORNIA INC. PER INSTRUMENT NO. 89-861738, RECORDED ON MAY 26, 1989 AND CIGNA HOTEL ASSOCIATES II, PER INSTRUMENT NO. 87-1847537, RECORDED ON NOVEMBER 19, 1987, ALL OF OFFICIAL RECORDS, AS SHOWN ON SAID MAP.

EXHIBIT C (continued)

Schedule B to ASSIGNMENT OF BENEFICIAL INTERESTS IN DEED OF TRUST AND ASSIGNMENT OF OTHER LOAN DOCUMENTS

LIST OF LOAN DOCUMENTS

Loan Documents dated as of November 10, 1994

1. Loan Agreement among NCC Torrance/B Associates Limited Partnership ("Original Borrower"), NCC Torrance/B, Inc. ("General Partner of Original Borrower"), and National Tenant Finance Corporation ("Original Lender") [the "Loan Agreement"]
2. Promissory Note in the original principal amount of \$7,049,000.00 from Original Borrower in favor of United States Trust Company of New York ("Successor Lender #1") [the "Note"]
3. Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing from Original Borrower in favor of Original Lender as beneficiary, and Chicago Title Insurance Company, as trustee, recorded in Recorder's Office, Los Angeles County, California on November 22, 1994 as Instrument No. 94-2103333, as affected by the Assignment of Deed of Trust from Original Lender as assignor to Successor Lender #1 as assignee, recorded in Recorder's Office, Los Angeles County, California on November 22, 1994 as Instrument No. 94-2103336 [the "Mortgage"]
4. Assignment of Leases and Rents from Original Borrower in favor of Original Lender, recorded in Recorder's Office, Los Angeles, County, California on November 22, 1994 as Instrument No. 94-2103334, as affected by the Assignment of Lease Assignment from Original Lender as assignor in favor of Successor Lender #1 as assignee, recorded in Recorder's Office, Los Angeles County, California on November 22, 1994 as Instrument No. 94-2103337
5. Pledge Agreement between Original Borrower and Original Lender
6. Hazardous Materials Indemnity Agreement between Original Borrower and Original Lender
7. UCC-1 Financing Statement, naming Original Borrower as debtor and Successor Lender #1 as secured party, recorded in Recorder's Office, Los Angeles County, California on November 22, 1994 as Instrument No. 94-2103335
8. UCC-1 Financing Statement, naming Original Borrower as debtor and Successor Lender #1 as secured party, filed with the California Secretary of State on November 28, 1994 as Instrument No. 9435060182
9. UCC-1 Financing Statement, naming Original Borrower as debtor and Successor Lender #1 as secured party, filed with the California Secretary of State on November 28, 1994 as Instrument No. 9435060212
10. UCC-1 Financing Statement, naming Original Borrower as debtor and Successor Lender #1 as secured party, filed with the Michigan Secretary of State on November 28, 1994 as Instrument No. C910040

Assignment of Original Borrower's Interest to Torrance Borders Partners, Ltd., a California limited partnership (the "Successor Borrower") dated April 1, 1997

11. Assignment, Assumption and Reaffirmation Agreement among Original Borrower, Successor Borrower, and Successor Lender #1, recorded on April 8, 1997, as Instrument No. 97-527193, in the Recorder's Office, Los Angeles County, California
12. UCC Amendment, amending UCC Financing Statement No. 94-2103335, to change the debtor to Successor Borrower, recorded on April 8, 1997 as Instrument No. 97-527194, in Recorder's Office, Los Angeles County, California
13. Letter dated March 26, 2003 from Borders, Inc., as tenant, to Successor Borrower as landlord, which letter Successor Borrower acknowledged and agreed to pursuant to a Landlord Estoppel Certificate dated April 20, 2009
14. Landlord Estoppel Certificate dated April 20, 2009

Assignment of Successor Lender #1's interest in Loan to Borders, Inc. ("Successor Lender #2") dated February 4, 2002

15. Assignment of Deed of Trust from Successor Lender #1 to Successor Lender #2, recorded on January 14, 2004 as Instrument No. 04-0099054 in the Recorder's Office, Los Angeles County, California
16. Assignment of Lease Assignment from Successor Lender #1 to Successor Lender #2, recorded on January 14, 2004, as Instrument No. 04-0099056 in the Recorder's Office, Los Angeles County, California
17. UCC-1 Financing Statement, naming Successor Borrower as debtor and Successor Lender #2 as secured party, recorded in Recorder's Office, Los Angeles County, California on May 13, 2002 as Instrument No. 02-1098012

EXHIBIT D

LIST OF LOAN DOCUMENTS

Loan Documents dated as of November 10, 1994

1. Loan Agreement among NCC Torrance/B Associates Limited Partnership ("Original Borrower"), NCC Torrance/B, Inc. ("General Partner of Original Borrower"), and National Tenant Finance Corporation ("Original Lender") [the "Loan Agreement"]
2. Promissory Note in the original principal amount of \$7,049,000.00 from Original Borrower in favor of United States Trust Company of New York ("Successor Lender #1") [the "Note"]
3. Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing from Original Borrower in favor of Original Lender as beneficiary, and Chicago Title Insurance Company, as trustee, recorded in Recorder's Office, Los Angeles County, California on November 22, 1994 as Instrument No. 94-2103333, as affected by the Assignment of Deed of Trust from Original Lender as assignor to Successor Lender #1 as assignee, recorded in Recorder's Office, Los Angeles County, California on November 22, 1994 as Instrument No. 94-2103336 [the "Mortgage"]
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5. Pledge Agreement between Original Borrower and Original Lender
6. Hazardous Materials Indemnity Agreement between Original Borrower and Original Lender
7. UCC-1 Financing Statement, naming Original Borrower as debtor and Successor Lender #1 as secured party, recorded in Recorder's Office, Los Angeles County, California on November 22, 1994 as Instrument No. 94-2103335
8. UCC-1 Financing Statement, naming Original Borrower as debtor and Successor Lender #1 as secured party, filed with the California Secretary of State on November 28, 1994 as Instrument No. 9435060182
9. UCC-1 Financing Statement, naming Original Borrower as debtor and Successor Lender #1 as secured party, filed with the California Secretary of State on November 28, 1994 as Instrument No. 9435060212
10. UCC-1 Financing Statement, naming Original Borrower as debtor and Successor Lender #1 as secured party, filed with the Michigan Secretary of State on November 28, 1994 as Instrument No. C910040

Assignment of Original Borrower's Interest to Torrance Borders Partners, Ltd., a California limited partnership (the "Successor Borrower") dated April 1, 1997

11. Assignment, Assumption and Reaffirmation Agreement among Original Borrower, Successor Borrower, and Successor Lender #1, recorded on April 8, 1997, as Instrument No. 97-527193, in the Recorder's Office, Los Angeles County, California

12. UCC Amendment, amending UCC Financing Statement No. 94-2103335, to change the debtor to Successor Borrower, recorded on April 8, 1997 as Instrument No. 97-527194, in Recorder's Office, Los Angeles County, California
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16. Assignment of Lease Assignment from Successor Lender #1 to Successor Lender #2, recorded on January 14, 2004, as Instrument No. 04-0099056 in the Recorder's Office, Los Angeles County, California
17. UCC-1 Financing Statement, naming Successor Borrower as debtor and Successor Lender #2 as secured party, recorded in Recorder's Office, Los Angeles County, California on May 13, 2002 as Instrument No. 02-1098012