



Loan Default Report

LOAN DEFAULT REPORT

June 30, 2008

1) Promissory Note - Camera Pavilion Management Corporation, a California corporation.

Address: Building located on the south side of the Paseo de San Antonio between First Street and Second Street in San Jose, California and formerly know as the UA Theater (201 S. Second St)

Loan Amount: \$3,250,000

Interest Rate: 3% per annum, simple interest

Term: 20 years from amended and restated date

Original effective date: 10/14/2003

Amended & restated: 05/06/2004

6/30/08 Receivable: \$3,851,322

2) Promissory Note – Letitia Building Limited Partnership, a California Limited partnership.

Address: 66-72 South First Street, San Jose, CA

Loan Amount: \$2,848,000

Interest Rate: 0% per annum

Term: 5/15/2001 to 5/15/2021

Original effective date: 10/1/1999

Amended 6/24/2003

6/30/08 Receivable: \$2,128,000