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June 6, 2013

File Number: 0NJP-170670

VIA E-MAIL AND FACSIMILE

Dr. Glenn Russell, Director
Planning and Development Department
County of Santa Barbara
105 E. Anapamu Street, 2nd Floor
Santa Barbara, CA 93101
E-Mail: grussell@co.santa-barbara.ca.us

Re: Transfer Agreement -- Santa Barbara Ranch Inland Development Agreement

Dear Dr. Russell:

We represent SBRHC, Inc. ("SBRHC"), the current Developer under the Santa Barbara Ranch Inland Development Agreement ("DA"). In February 2013, SBRHC entered into a purchase and sale agreement with Spectra America Corp. ("Spectra America") for its entire interest in Santa Barbara Ranch, including the Inland Project Site subject to the DA. It is our understanding that Spectra America intends to assign its interest in the Inland Project Site under the PSA to SBR Ventures, LLC.

In accordance with Section 8.02(b) of the DA, this letter requests the County's consent to the attached Transfer Agreement which (i) releases SBRHC from the obligations of Developer and (ii) transfers the rights and obligations of the Developer to Spectra America. Under Section 8.02(b) of the DA, the County is required to consent to the Transfer Agreement unless, "in light of the proposed transferee's reputation and financial resources, such transferee would not in the County's reasonable opinion be able to perform the obligations proposed to be assumed by such transferee. Such determination shall be made by the Director of Planning and Development, and is appealable by Developer to the County Board of Supervisors."

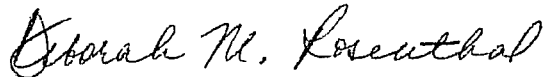
Information about the reputation and financial resources of the transferee is being submitted under separate cover by Spectra America. Representatives of Spectra America are available to discuss the terms of the enclosed Transfer Agreement or to provide any additional information you may require to complete your review in accordance with Section 8.02(b).

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Thank you for your attention to this matter.

Very truly yours,



Deborah M. Rosenthal, AICP
for SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

SMRH:408187552.3

Enclosure: Transfer Agreement

cc: Ms. Chandra L. Wallar (w/enclosure)
Rachel Van Mullem, Esq. (w/enclosure)
Ms. Dianne Black (w/enclosure)
Mr. Norm Broyer (w/enclosure)
Allan J. Abshez, Esq. (w/enclosure)
Mr. William L. Myers (w/enclosure)
Mr. Philip Ram (w/enclosure)

RECORDING REQUESTED BY:

CHICAGO TITLE COMPANY

WHEN RECORDED MAIL TO:

AND MAIL TAX STATEMENTS TO:

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APNs:

SANTA BARBARA RANCH
INLAND DEVELOPMENT AGREEMENT
TRANSFER AGREEMENT

This Transfer Agreement ("**Agreement**") is made and entered into by and between SBRHC, INC., a Missouri corporation ("**SBRHC**") and Spectra America Corp., a California corporation ("**Spectra America**"). This Agreement is made as of June __, 2013. SBRHC and Spectra American are sometimes referred to in this Agreement individually, as a "**Party**" or, collectively, as the "**Parties**."

RECITALS

A. On or about October 21, 2008, Santa Barbara Ranch, LLC ("**SBR**"), Vintage Vineyards, LLC ("**Vintage Vineyards**"), Vintage Communities, Inc. ("**Vintage Communities**"), Osgood Farms, LLC ("**Osgood Farms**"), DLC Ranch, LLC ("**DLC**"), TW Family Farm, LLC ("**TW**"), and Matthew K. Osgood (collectively the "**Osgood Entities**") entered into a statutory development agreement with the County of Santa Barbara ("**County**") with respect to approximately 624 acres of property ("**Property**") located inland of State Highway 101 in an unincorporated area of County (the "**Inland Development Agreement**"). The Property (which is referred to in the Inland Development Agreement as the "**Inland Project Site**," both of which terms are used herein) is described and depicted in Exhibits A-1 through A-4 to the Inland Development Agreement.

B. Following a default on the loan secured by assets which included the Property, the holder of the deed of trust acquired the Property (and the rest of the security assets) at auction and thereafter transferred all such assets to SBRHC, an affiliated party. Among the assets transferred to SBRHC by the foreclosure were the rights and obligations of the Osgood Entities as the Property owner and Developer under the Inland Development Agreement. In Santa Barbara Superior Court in Case Number 13779764, SBRHC was adjudged and decreed "the sole Developer of the Property under the Inland Development Agreement" with the "status, rights and obligations afforded the Developer under the Inland Development Agreement."

C. SBRHC and Spectra America have entered into a Purchase and Sale Agreement, executed on February 21, 2013, as amended by that certain First Amendment thereto dated as of May 23, 2013, for an area containing approximately 1,048 acres located both north and south of State Highway 101 and commonly known as "Santa Barbara Ranch," including the Property, ("**Santa Barbara Ranch**"). Upon closing, SBRHC will have no further interest in Santa Barbara Ranch, including the Property.

D. SBRHC desires to transfer its rights and obligations under the Inland Development agreement to Spectra America, conditioned upon transfer of the Property. Spectra America desires to assume the rights and obligations of the Developer under the Inland Development Agreement, conditioned with transfer of the Property.

E. Paragraph 8.02(a) of the Inland Development Agreement provides that the Developer and any assuming transferee enter into a written agreement ("**Transfer Agreement**") regarding the "respective interests, rights and obligations of Developer and the transferee in and under [the Inland Development Agreement], the Inland Project Approvals, and the Subsequent Inland Approvals."

F. The Transfer Agreement "may (i) release Developer from obligations under the Agreement, the Inland Project Approvals, or the Subsequent Inland Approvals that pertain to that portion of the Inland Project or Inland Project Site being transferred, as described in the Transfer Agreement, provided that the transferee expressly assumes such obligations; (ii) transfer to the transferee vested rights to improve that portion of the Inland Project or Inland Project Site being transferred and (iii) address any other matter deemed by Developer to be necessary or appropriate in connection with the transfer or assignment."

G. SBRHC and Spectra America agree that, upon transfer of the Property from SBRHC to Spectra America, all of SBRHC's rights and obligations under the Inland Development Agreement are to be transferred from SBRHC to Spectra America.

H. SBRHC and Spectra America agree that, upon transfer of the Property from SBRHC to Spectra America, SBRHC will have no further interest in the Property and will be released from all subsequent obligations under the Inland Development Agreement and the Inland Project Approvals and the Subsequent Inland Approvals, as those terms are defined in the Inland Development Agreement.

I. SBRHC and Spectra America agree that, upon recordation of this Transfer Agreement, SBRHC shall automatically be released from those obligations assumed by Spectra America hereunder, as set forth in Section 8.02(c) of the Inland Development Agreement. The Parties further agree that this automatic release is intended to extend to all surviving obligations, if any, of the Osgood Entities under the Inland Development Agreement.

AGREEMENT

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **Effective Date.** The Effective Date of this Agreement shall be the later of (a) the closing date for the sale of the Property from SBRHC to Spectra America and (b) consent

to (or deemed approval of) this Agreement by the County pursuant to Section 8.02(b) of the Inland Development Agreement.

2. Transfer and Release.

(a) Pursuant to Section 8.02(a) of the Inland Development Agreement, SBRHC hereby transfers to Spectra America all vested rights to improve the Inland Project or Inland Project site, as those terms are defined in the Inland Development Agreement.

(b) Pursuant to Section 8.02(a) of the Inland Development Agreement, Spectra America hereby expressly assumes any and all of SBRHC's obligations under the Inland Development Agreement, the Inland Project Approvals and the Subsequent Inland Approvals, as those terms are defined in the Inland Development Agreement. Spectra America shall indemnify SBRHC against any future claims based on the Development Agreement with respect to any and all obligations assumed by Spectra America hereunder or by operation of law; provided, however, that SBRHC shall be responsible for any liabilities that have accrued under the Inland Development Agreement during SBRHC's ownership of the Inland Project Site and prior to the Effective Date; provided further, however, that all obligations for the \$300,000 payment referenced in Section 2.02(a) of the Inland Development Agreement shall be borne by Spectra America.

(c) Pursuant to Section 8.02(d) of the Inland Development Agreement, SBRHC shall be free from any and all liabilities accruing on or after the Effective Date with respect to all obligations under the Inland Development Agreement assumed by Spectra America hereunder. No breach or default of the Inland Development Agreement by Spectra America shall be attributed to SBRHC, nor may SBRHC's rights, if any, remaining after the Effective Date, be canceled or diminished in any way by any breach or default by Spectra America.

3. **Designation of Developer.** From and after the date of the County's consent to this Agreement, Spectra America will be designated as the sole Developer under the Inland Development Agreement.

4. **County Consent Contingency.** Section 8.02(b) of the Inland Development Agreement requires the Developer to seek the County's prior written consent to this Agreement. SBRHC and Spectra America agree to seek the County's consent to this Transfer Agreement in accordance with Section 8.02(b), and in that regard SBRHC shall submit an application to the County for such consent (the "**Consent Application**"). Spectra shall be solely responsible for processing the application after submittal of the Consent Application by SBRHC, including without limitation responding to requests by the County for information.

5. **Amendment.** This Agreement may be modified or amended only by mutual written agreement of the Parties. Any such modification or amendment must be in writing, dated, signed by the Parties and attached to this Agreement.

6. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

7. **Further Assurances.** Each Party shall, at the reasonable request of the other Party, execute and deliver to the other Parties all further instruments, assignments, assurances and other documents, and take any actions as the other Party reasonably requests in connection with the carrying out, implementation or defense of this Agreement.

8. **Recordation of Transfer Agreement.** Pursuant to Section 8.02(c) of the Inland Development Agreement, this Agreement shall be submitted for recordation by the Parties upon the occurrence of both (a) the closing date for sale of the Property from SBRHC to Spectra America, and (b) the consent to (or deemed approval of) the County to this Agreement pursuant to section 8.02(b) of the Inland Development Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

SBRHC, INC.
a Missouri corporation

By: _____
Name: _____
Title: _____

Spectra America Corp.,
a California corporation

By: _____
Name: _____
Title: _____

[Add notarial acknowledgment clauses for each party]