

**LEASE AND LEASEBACK AGREEMENT**

**between**

**CALEASE PUBLIC FUNDING CORPORATION,  
as Lessor**

**and**

**COUNTY OF SANTA BARBARA, CALIFORNIA,  
as Lessee**

**Dated as of November \_\_, 2009**

---

---

TABLE OF CONTENTS

	<u>Page</u>
Section 1. Lease.....	1
Section 2. Leaseback; Security .....	2
Section 3. Term .....	2
Section 4. Representations and Warranties of County.....	2
Section 5. Covenants of County .....	2
Section 6. Representations and Warranties of Corporation .....	3
Section 7. Acquisition/Construction .....	3
Section 8. Rental Payments .....	3
Section 9. Fair Rental Value.....	4
Section 10. Rental Abatement .....	4
Section 11. Use.....	4
Section 12. Corporation's Inspection; Access to the Project.....	4
Section 13. Disclaimer of Warranties .....	5
Section 14. Alterations and Attachments.....	5
Section 15. Maintenance and Repairs.....	5
Section 16. Utilities .....	5
Section 17. Risk of Loss, Damage, Destruction or Condemnation.....	5
Section 18. Public Liability and Property Damage Insurance; Worker's Compensation Insurance; Rental Interruption Insurance .....	5
Section 19. Additional Insurance Provisions; Form of Policies .....	6
Section 20. Damage to or Destruction of Project .....	6
Section 21. Taxes and Liens .....	7
Section 22. Indemnity.....	7
Section 23. Events of Default .....	8
Section 24. Remedies .....	8
Section 25. Nonwaiver .....	9
Section 26. Assignment .....	9
Section 27. Prepayment .....	10
Section 28. Release of Liens.....	10
Section 29. Environmental Compliance .....	10
Section 30. Warranties, Covenants and Indemnities Regarding Environmental Matters.....	10
Section 31. Advances .....	12
Section 32. Severability.....	12
Section 33. Entire Agreement; Amendments.....	12
Section 34. Notices.....	12
Section 35. Tax Compliance Agreement .....	13
Section 36. Titles.....	13
Section 37. Time.....	13
Section 38. Lease Interpretation .....	13
Section 39. Execution in Counterparts .....	13
Signatures .....	14
Exhibit A – Legal Description	
Exhibit B – Project Cost Statement	
Exhibit C – Rental Payment Schedule	

## LEASE AND LEASEBACK AGREEMENT

This **LEASE AND LEASEBACK AGREEMENT** dated as of November \_\_, 2009 (this "Agreement"), is by and between **CALEASE PUBLIC FUNDING CORPORATION**, a non-profit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California, as lessor (together with its successors and assigns, "Corporation"), and **COUNTY OF SANTA BARBARA, CALIFORNIA**, a political subdivision organized and existing under the laws of the State of California, as lessee ("County").

### RECITALS

**WHEREAS**, County deems it essential for its own governmental purpose to obtain funds to pay the costs of (i) renovating a portion of the two-story, 23,800 square-foot building owned by County and located at 4440 Calle Real, Santa Barbara, California (said building, but excluding the portion thereof currently leased to the Federal Bureau of Veterans Affairs, together with the land described on **Exhibit A** hereto, being referred to herein as the "Project"), and (ii) paying certain related expenses, all as described in **Exhibit B** hereto; and

**WHEREAS**, County's governing body has determined that it is in the best interests of County to obtain funds to pay the costs of the Project by leasing the Project to Corporation and leasing back from Corporation the Project pursuant to this Agreement; and

**WHEREAS**, pursuant to Section 23004 and 25353 of the California Government Code, County possesses statutory authority to lease the Project to Corporation and leaseback the Project from Corporation, and County's governing body has duly authorized the execution and delivery of this Agreement; and

**WHEREAS**, it is intended that this Agreement be treated as a tax-exempt obligation of County for federal income tax purposes; and

**WHEREAS**, County and Corporation agree to mutually cooperate now and hereafter, to the extent possible, in order to sustain the intent of this Agreement and the bargain of both parties hereto;

### WITNESSETH:

**NOW, THEREFORE** in consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

#### **Section 1. Lease.**

(a) County hereby leases to Corporation, and Corporation hereby leases from County, the Project, subject only to (i) liens for general ad valorem taxes and assessments, if any, not then delinquent; (ii) this Agreement; and (iii) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions that will not affect the intended use of the Project or impair the security granted to Corporation hereunder (the "Permitted Encumbrances"). The lease from County to Corporation of the Project may be referred to sometimes herein as the "Lease."

(b) The term of the Lease shall commence as of the date hereof and shall remain in full force and effect from such date to and including November \_\_, 2034, unless such term is earlier terminated as a result of County's exercising its option to prepay its obligations hereunder in whole pursuant to **Section 27** hereof or County's payment in full of all Rental Payment and other amounts due hereunder.

(c) Corporation shall deposit \$1,600,000 in an Acquisition Fund created under an Escrow Agreement dated as of the date hereof (the "Escrow Agreement") among Corporation, County and Wells Fargo Bank, National Association to pay the remaining costs of the Project as set forth in the Escrow Agreement, which sum shall be the entire rental payable by Corporation hereunder in connection with the acquisition and construction of the Project.

(d) Corporation shall use the Project solely for the purpose of leasing back to County the Project; provided, however, that upon the occurrence of an Event of Default, Corporation may exercise the remedies provided for herein.

(e) County covenants and agrees that it will not take any action to prevent Corporation's quiet enjoyment of the Project and will defend its fee title to the Project.

**Section 2. Leaseback; Security.** Corporation hereby leases back to County, and County hereby leases back and hires from Corporation, the Project for the full term of this Agreement, subject only to Permitted Encumbrances. The leaseback from County to Corporation of the Project may be referred to sometimes herein as the "Leaseback."

**Section 3. Term.** The terms and conditions of this Agreement shall become effective upon the authorized execution of this Agreement by the parties hereto, and the term of this Agreement shall commence on such date. Such term terminates when all the payments set forth in **Exhibit C** hereto are paid unless the term of this Agreement is extended as provided in this Section or upon the earlier termination of this Agreement by Corporation after the occurrence of an Event of Default or as set forth in **Section 27**. If on the scheduled date of termination of this Agreement the Rental Payments and other amounts due hereunder shall not be fully paid or if such Rental Payments shall have been abated at any time and for any reason, then the term of this Agreement shall be extended until the date of termination of the Lease as provided in **Section 1**.

**Section 4. Representations and Warranties of County.** County represents and warrants to Corporation that:

(a) County is a political subdivision, duly organized and existing under the Constitution and laws of the State of California with authority to enter into this Agreement and to perform all of its obligations hereunder.

(b) County's governing body has duly authorized the execution and delivery of this Agreement and further represents and warrants that all requirements have been met and procedures followed to ensure its and their enforceability.

(c) The Project is essential to County in the performance of its governmental functions, and its estimated useful life to County exceeds the term of this Agreement.

(d) There is no action, suit, proceeding, claim, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of County's knowledge, threatened against or affecting County, challenging County's authority to enter into this Agreement or any other action wherein an unfavorable ruling or finding would adversely affect the enforceability of this Agreement or any other transaction of County which is similar hereto, or the exclusion of the interest portion of Rental Payments from gross income for federal tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), or would materially and adversely affect any of the transactions contemplated by this Agreement.

(e) County is the owner of good and marketable fee simple title to the Project subject to no liens or encumbrances other than Permitted Encumbrances. The legal description set forth in **Exhibit A** hereto accurately describes the land upon which the building and all related improvements that are included in the Project are located, and that building and all related improvements are located fully within said land in compliance with all governmental building and zoning requirements and do not encroach upon any other property.

**Section 5. Covenants of County.** County covenants to Corporation that:

(a) Throughout the term of this Agreement, the Project will be used for performing one or more governmental functions consistent with the permissible scope of County's authority and will not be used in a trade or business of any person or entity that may be construed as a "private activity" under the Code.

(b) County shall take such action as may be necessary to include all Rental Payments in its annual budget and annually to appropriate an amount necessary to make all Rental Payments. County will furnish to

Corporation, if so requested, copies of each proposed budget of County within 30 days after it is filed and of each final budget of County within 30 days after it is printed.

(c) As soon as available, and in any event within 120 days after the end of each fiscal year of County, County shall provide to Corporation audited financial statements of County with the unqualified opinion of independent certified public accountants acceptable to Corporation and such other financial information as may be requested by Corporation.

(d) County shall take all necessary steps to comply with any and all federal laws and regulations relative to preserving the tax-exempt status of this Agreement.

(e) County shall not abandon the Project for the use for which it is currently required by County and, to the extent permitted by law, County shall not seek to substitute or acquire property to be used as a substitute for the uses for which the Project is maintained under this Agreement.

**Section 6. Representations and Warranties of Corporation.** Corporation represents and warrants to County that:

(a) Corporation is a nonprofit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California.

(b) Corporation has full power, authority and legal right to enter into and perform its obligations under this Agreement, and the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate actions on the part of Corporation and do not require any further approvals or consents.

(c) The execution, delivery and performance of this Agreement do not and will not result in any breach of or constitute a default under any indenture, mortgage, contract, agreement or instrument to which Corporation is a party by which it or its property is bound.

(d) There is no pending action or proceeding against Corporation for which Corporation has been serviced or, to the knowledge of Corporation, any threatened action or proceeding against Corporation or action or proceeding against Corporation for which Corporation has not been served, before any court or administrative agency which will materially adversely affect the ability of Corporation to perform its obligations under this Agreement.

**Section 7. Acquisition/Construction.** The costs associated with the acquisition and construction of the Project, including appurtenant work and related expenses, are set forth in **Exhibit B** hereto. The Project will be acquired and constructed in accordance with County's plans and specifications, and all applicable laws. County shall cause or has caused the Project to be completed in accordance with the County's plans and specifications and any construction contracts as promptly as practicable and with all reasonable dispatch. Corporation shall have no responsibility in connection with the selection of the Project, any contractor, subcontractor or supplier, the plans and specifications or the design of the Project, its suitability for the use intended by County, or the performance by the seller or any contractor, subcontractor or supplier in acquiring and constructing the Project. Corporation shall have no obligation to acquire, construct, furnish, equip, install, erect, test, inspect, service or maintain the Project or any portion thereof under any circumstances, but such actions shall be the obligation of County. Corporation's sole responsibility in connection with the Project is to deposit \$1,600,000 as directed by County to pay costs of the Project in accordance with **Section 1(c)** and the Escrow Agreement. In the event that moneys deposited by Corporation as directed by County are insufficient for such purpose, County shall be responsible for and shall pay all such costs necessary to complete the delivery, acquisition and construction of the Project free of all liens and encumbrances other than this Agreement.

**Section 8. Rental Payments.** COUNTY SHALL PAY CORPORATION RENTAL PAYMENTS (the "Rental Payments") IN THE AMOUNTS AND AT THE TIMES SET FORTH IN **EXHIBIT C** HERETO, AT THE PRINCIPAL OFFICE OF CORPORATION OR TO SUCH OTHER PERSON OR AT SUCH OTHER PLACE AS CORPORATION MAY FROM TIME TO TIME DESIGNATE IN WRITING. Should County fail to pay any part of the Rental Payments on the due date thereof, then, to the extent permitted by law, County shall pay interest on

such delinquent payment from the date said payment was due until paid at the lesser of the highest rate permitted by law or 12% per annum.

County shall pay Rental Payments exclusively from legally available funds, in lawful money of the United States of America to Corporation. The obligation of County to pay Rental Payments hereunder shall constitute a current expense of County and shall not in any way be construed to be a debt of County in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by County, nor shall anything contained herein constitute a pledge of the general tax revenues of County. Except as specifically provided in **Section 10**, the obligation to pay Rental Payments will be absolute and unconditional in all events and will not be subject to setoff, defense, nonappropriation, abatement, reduction, counterclaim or recoupment for any reason whatsoever. Notwithstanding any dispute between County and Corporation or between County and any contractor or any other person, County shall make all Rental Payments and other payments required hereunder when due and shall not withhold any Rental Payment or other payment pending final resolution of such dispute nor shall County assert any right of setoff or counterclaim against its obligation to make Rental Payments or other payments required hereunder. County's obligation to make Rental Payments or other payments shall not be abated on account of failure of the Project to perform as desired or obsolescence of the Project and shall not be abated through accident or unforeseen circumstances except as provided in **Section 10**.

**Section 9. Fair Rental Value.** Rental Payments shall be paid by County in consideration of the right of possession of, and the continued quiet use and enjoyment of, the Project during each rental period. County has determined that such total rental is not in excess of the fair rental value of the Project. In making such determination, consideration has been given to the fair market value of the Project, other obligations of the parties under this Agreement, the uses and purposes which may be served by the Project and the benefits therefrom which will accrue to County and the general public and the ability of County to make additions, modifications and improvements to the Project and to replace the Project.

**Section 10. Rental Abatement.** Rental Payments due hereunder and other amounts due hereunder or under the Escrow Agreement with respect to the Project shall be subject to abatement during any period in which, by reason of material damage to or destruction or condemnation of the Project, there is substantial interference with the use and right or possession by County of the Project or any substantial portion thereof. County shall immediately notify Corporation upon the occurrence of any event causing substantial interference with County's use and possession of the Project. For each potential incident of substantial interference, decisions to be made on (a) whether or not abatement shall apply; (b) the date upon which abatement shall commence; (c) the applicable portion of Rental Payments to be abated; and (d) the concluding date of the particular abatement shall all be subject to determinations by County and Corporation in concert with the provider of the insurance issued pursuant to **Section 18**. The amount of rental abatement shall be such that the Rental Payments paid by County during the period of Project restoration do not exceed the fair rental value for the usable portions of the Project. In the event of any damage or destruction to the Project, this Agreement shall continue in full force and effect notwithstanding any abatement of Rental Payments pursuant to this Section. To the extent permitted by law, County waives the benefits of Civil Code Section 1932 and any and all other rights to terminate this Agreement by virtue of any interference with the use and possession of the Project; provided that such waiver shall not constitute a waiver of the abatement of Rental Payments as set forth in this Section.

**Section 11. Use.** During the term of this Agreement, except as otherwise provided herein, Corporation shall not interfere with County's quiet use and enjoyment of the Project. County will not use, operate or maintain the Project improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. County shall provide all permits and licenses, if any, necessary for the operations on the Project. In addition, County agrees to comply in all respects with all laws of all jurisdictions involving the Project; provided, however, that County may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Corporation, adversely affect the estate of Corporation in and to the Project or its interest or rights under this Agreement.

**Section 12. Corporation's Inspection/Access to the Project.** County agrees that Corporation, any Corporation representative and Corporation's successors or assigns shall have the right to request of County to enter upon the Project, to examine and inspect the Project and to exercise its remedies pursuant to **Section 24**. Such requests of County to enter upon the Project shall not be unreasonably denied.

**Section 13. *Disclaimer of Warranty.*** CORPORATION MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS OF THE PROJECT FOR ITS INTENDED USE OR ANY OTHER USE OR PURPOSE OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE PROJECT. IN NO EVENT SHALL CORPORATION BE LIABLE FOR INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR USE OF THE PROJECT.

**Section 14. *Alterations and Attachments.*** All additions and improvements that are made to the Project (including the design, acquisition and construction of the Project) shall thereafter comprise part of the Project and be subject to this Agreement.

**Section 15. *Maintenance and Repairs.*** County shall, at its own expense, maintain, preserve and keep the Project in good repair, working order and condition, and shall from time to time make all repairs and replacements necessary to keep the Project in such condition, and in compliance with state and federal laws, ordinary wear and tear excepted. In the event that any portion of the Project becomes worn out, lost, destroyed, damaged beyond repair or otherwise rendered unfit for use, County, at its own expense and expeditiously, will replace or cause the replacement of such parts or accessories by replacement parts or accessories free and clear of all liens and encumbrances and with a value and utility at least equal to that of the parts or accessories being replaced (assuming that such replaced parts and accessories were otherwise in good working order and repair). All such replacement parts and accessories shall be deemed to be incorporated immediately into and to constitute an integral portion of the Project and, as such, shall be subject to the terms of this Agreement. Corporation shall have no responsibility for any of these repairs or replacements.

**Section 16. *Utilities.*** County shall, in its own name, contract for and pay the expenses of all utility services required for the Project such utilities including all air conditioning, heating, electrical, gas, water and sewer units. County shall be liable for payment as well as maintenance of all utility services received. County shall pay when due any utilities and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project, and all special assessments and charges lawfully made by any governmental body that may be secured by a lien on the Project.

**Section 17. *Risk of Loss, Damage, Destruction or Condemnation.*** County assumes all risks and liabilities from any cause whatsoever, whether or not covered by insurance, for loss or damage to any equipment and for injury to or death of any person or damage to any property, whether such injury or death be with respect to agents or employees of County or of third parties, and whether such property damage be to County's property or the property of others. No loss or damage to the Project or any part thereof shall impair any obligation of County under this Agreement which shall continue in full force and effect, subject to the provisions of **Section 10**. To the extent permitted by law, County waives the benefit of Civil Code Sections 1932(2) and 1933(4) and any and all other rights to terminate this Agreement by virtue of any damage or destruction or condemnation of the Project.

**Section 18. *Public Liability and Property Damage Insurance; Workers' Compensation Insurance; Rental Interruption Insurance.***

(a) County shall maintain or cause to be maintained, throughout the term of this Agreement, a standard comprehensive general liability insurance policy or policies in protection of County, Corporation and their respective members, directors, officers, agents and employees and naming Corporation as an additional insured. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the use or ownership of the Project. Said policy or policies shall provide coverage in the minimum liability limits of \$1,000,000 for personal injury or death of each person and \$1,000,000 for personal injury or deaths of two or more persons in a single accident or event and in a minimum amount of \$100,000 for damage to property resulting from a single accident or event. Such public liability insurance may, however, be in the form of a single-limit policy in a minimum amount of \$1,000,000 covering all such risks. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried or required to be carried by County. The net proceeds of such liability insurance

shall be applied toward extinguishment or satisfaction of the liability with respect to which the net proceeds of such insurance shall have been paid.

(b) County shall maintain or cause to be maintained, throughout the term of this Agreement, workers' compensation insurance issued by a responsible carrier authorized under the laws of the State of California to insure employers against liability for compensation under the Labor Code of the State of California, or an act enacted as an amendment or supplement thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by County in connection with the Project and to cover full liability for compensation under any such act.

(c) County shall maintain or cause to be maintained builder's risk, if appropriate, and casualty insurance insuring the Project against fire, lightning and all other risks covered by an extended coverage endorsement to the full insurable value of the Project. Full insurable value shall be evaluated at least every year and shall not be less than the unpaid principal component of the Rental Payments. Corporation shall be named as an additional insured and as loss payee. Net proceeds of casualty insurance shall be paid to Corporation for application in accordance with **Section 20**.

(d) County shall maintain, or cause to be maintained, rental interruption insurance to cover Corporation's loss, total or partial, of Rental Payments resulting from the loss, total or partial, of the use of any part of the Project as a result of any hazard in an amount sufficient at all times to pay an amount not less than the Rental Payments payable by County during a 24-month period. Such rental interruption insurance shall be payable for a period adequate to cover the period of repair or reconstruction. Such insurance may be maintained in conjunction with or separate from any other similar insurance maintained by County. All insurance proceeds shall be payable to Corporation in amounts proportionate to the loss of use of the Project and shall supplement County's applicable Rental Payments, if any, during the restoration period in sufficient amount to make Corporation whole during the period of abatement. County shall not be permitted to self-insure its obligation under this **subsection (d)**.

(e) County shall have the right to provide any required insurance (other than rental interruption insurance required by **subsection (d)**) through legally adopted self-insurance acceptable to Corporation.

**Section 19. Additional Insurance Provisions; Form of Policies.** All insurance policies required by **Section 18** shall be taken out and maintained with insurance companies acceptable to Corporation; and shall contain a provision that the insurer shall not cancel or revise coverage thereunder without giving written notice to the insured parties at least 30 days before the cancellation or revision becomes effective. No insurance shall be subject to any coinsurance clause. Each insurance policy required by this Section shall name Corporation as an additional insured party and, in the case of the insurance required by **Sections 18(c)** and **(d)**, loss payee without regard to any breach of warranty or other act or omission of County and, in the case of the insurance required by **Sections 18(c)** and **(d)**, shall include a lender's loss payable endorsement for the benefit of Corporation. Prior to the execution and delivery of this Agreement, County shall deposit with Corporation evidence satisfactory to Corporation of such insurance and, prior to the expiration thereof, shall provide Corporation evidence of all renewals or replacements thereof. County shall pay or cause to be paid when due the premiums for all insurance policies required by **Section 18** and shall promptly furnish or cause to be furnished evidence of such payments to Corporation. Corporation shall be fully protected in accepting payment on account of such insurance or any adjustment compromise or settlement of any loss agreed to by Corporation.

**Section 20. Damage to or Destruction of Project.** County shall provide a complete written report to Corporation upon any loss, theft, damage or destruction of the Project and of any accident involving the Project within a reasonable period not to exceed 30 days after ensuring the safety of students and employees and the public, securing the Project and assessing the extent of loss or damage. If all or any part of the Project is lost, stolen, destroyed or damaged, County shall as soon as practicable after such event either (a) repair, restore or replace the same at County's sole cost and expense to substantially the same condition as, or with property having substantially similar specifications and of equal or greater value to, such damaged property immediately prior to the time of the loss occurrence, any such replacement property to be subject to Corporation's approval, whereupon any such replacement property shall become a part of the Project and shall be substituted in this Agreement and the other related documents by appropriate endorsement or amendment; or (b) pay the Prepayment Amount set forth in **Exhibit C** hereto. County shall notify Corporation of which course of action it will take within 45 days after the loss occurrence. If, (i) the County fails to notify the Corporation in writing within 45 days of the loss occurrence or the



course of action it will take as required by this section, or (ii) the County fails with reasonable diligence to repair, restore or replace the lost, stolen, destroyed or damaged portion of the Project, then Corporation may, but shall not be required to, repair, restore or replace the lost, stolen, destroyed or damaged portion of the Project at County's expense and may exercise its other remedies available to it under this Lease. The Net Proceeds of insurance shall be made available by Corporation to be applied to County's obligation under this Section or, if County fails to take the actions specified in the preceding sentence, may be retained by Corporation. For purposes of this Section, "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including reasonable attorneys' fees) incurred in the collection of such claim or award.

**Section 21. Taxes and Liens.** County represents and warrants that it does not pay, and is not currently obligated under applicable law to pay, any taxes, fees, assessments or charges on any property owned by County. County shall keep the Project free and clear of all levies, liens and encumbrances of any kind and shall promptly pay all fees, assessments, charges and taxes (municipal, state and federal) which may hereafter be imposed upon the ownership, leasing, renting, sale, possession or use of the Project. County shall pay all taxes and other charges of any kind which are at any time lawfully assessed or levied against or with respect to the Project the Rental Payments or any part thereof, or which become due during the term of this Agreement, whether assessed against County or Corporation.

**Section 22. Indemnity.** Corporation and its directors, officers, agents and employees shall not be liable to County or to any other party whomsoever for any death, injury or damage that may result to any person or property by or from any cause whatsoever in, on or about the Project. To the extent permitted by law, County shall, at its expense, indemnify and hold Corporation and all directors, officers, agents and employees thereof, harmless against and from any and all liabilities, obligations, losses, damages, expenses (including, without limitation, attorneys' fees and expenses, penalties and interest) and claims whatsoever arising from or in connection with this Agreement or the ordering, acquisition, construction, delivery, rejection, return, purchase, condition, ownership, occupation, use, operation, maintenance, possession, conduct or management of the Project, adjoining sidewalks or passageways and any work done in or about the Project or from the subletting of any part thereof, including (without limitation) any liability for violation of conditions, agreements, restrictions, laws, ordinances or regulations affecting the Project or the occupancy or use thereof, but excepting the negligence or willful misconduct of the persons or entity seeking indemnity. County also covenants and agrees, to the extent permitted by law, at its expense, to pay and indemnify and save Corporation and all directors, officers, agents and employees thereof harmless against and from any and all liabilities, obligations, losses, damages, expenses (including, without limitation, attorneys' fees and expenses, penalties and interest) and claims arising from (a) any breach or default on the part of County in the performance of any covenant or agreement to be performed by County pursuant to this Agreement, (b) any act or negligence of licensees in connection with their use, occupancy or operation of the Project or (c) any accident, injury or damage whatsoever caused to any person, firm or corporation in or about the Project or upon or under the sidewalks. In the event that any action or proceeding is brought against Corporation or any director, officer, agent or employee thereof, by reason of any of the foregoing, County, upon notice from Corporation or other such director, officer or employee thereof, covenants to resist or defend such action or proceeding by counsel reasonably satisfactory to Corporation or such director, officer, agent or employee thereof.

Notwithstanding the fact that it is the intention of the parties that Corporation and all officers and directors thereof shall not incur any pecuniary liability by reason of the terms of this Agreement, or the undertakings required of Corporation hereunder or any director, officer or employee thereof, by reason of the performance or nonperformance of any act required of it by this Agreement or by reason of the performance or nonperformance of any act requested of it by County, including all claims, liabilities or losses arising in connection with the violation of any statutes or regulation pertaining to the foregoing; nevertheless, if Corporation or any officer, director, agent or employee thereof should incur any such pecuniary liability, then in such event, to the extent permitted by law, County shall indemnify and hold harmless Corporation and all directors, officers, employees or agents thereof against any and all liabilities, obligations, losses, damages, expenses (including, without limitation, attorneys' fees and expenses, penalties and interest) and claims by or on behalf of any person, firm, corporation or governmental authority arising out of the same, or in connection with any action or proceeding brought thereon, and upon notice from Corporation, County shall defend Corporation in any such action or proceeding.

This Section shall survive the termination of this Agreement.

**Section 23. Events of Default.** The term "Event of Default," as used in this Agreement, means the occurrence of any one or more of the following events:

- (a) Failure by County to pay any Rental Payment or other payment required to be paid when due.
- (b) Failure by County to maintain insurance as required by **Sections 18 and 19**.
- (c) Failure by County to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, other than as referred to in **clauses (a) and (b)** of this Section, for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to County by Corporation, unless Corporation shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Corporation will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by County within the applicable period and diligently pursued until the default is corrected.
- (d) The determination by Corporation that any representation or warranty made by County in this Agreement or any other document was untrue in any material respect upon execution of this Agreement or such other document.
- (e) The filing of a petition in bankruptcy by or against County, or failure by County promptly to lift any execution, garnishment or attachment of such consequence as would impair the ability of County to carry on its governmental functions or assignment by County for the benefit of creditors, or the entry by County into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of any adjustment of indebtedness of County, or the dissolution or liquidation of County.
- (f) The abandonment of the Project by County.

**Section 24. Remedies.**

(a) Upon the occurrence of an Event of Default, Corporation, in addition to any and all other remedies available pursuant to law or in equity, shall have the option, with or without terminating the Leaseback, (i) to collect each installment of rent as it becomes due and enforce any other terms or provisions hereof to be kept or performed by County, regardless of whether or not County has abandoned the Project or (ii) to take possession of the Project and sell its interest in the Project or lease the Project, or sublease the Project for the account of County, upon such terms and conditions as Corporation may deem advisable, in which event the disposition proceeds or the rental received on such re-letting shall be applied first to the expenses of repossession, sale, re-letting and collection, including expenses necessary for repair or restoration of the Project or any portion thereof, and second to the payment of Rental Payments and other amounts then due. If a sufficient sum shall not be thus realized to pay all Rental Payments and other amounts then due, then, if the Leaseback has not been terminated, County shall pay to Corporation any net deficiency existing on any date when a Rental Payment or other amount is due thereunder. In the event Corporation does not elect to terminate the Leaseback, County shall remain liable and agrees to keep and perform all covenants and conditions herein contained to be kept or performed by County and to pay the full amount of the rent as such rent becomes due to the end of the term of this Agreement; and further agrees to pay said rent punctually at the same time and in the same manner as hereinabove provided for the payment of rent hereunder.

(b) In addition to the other remedies set forth in this Section, Corporation shall be entitled to proceed to protect and enforce the rights vested in Corporation by this Agreement or by law; provided, however, that, notwithstanding anything herein to the contrary, there shall be no right under any circumstances to accelerate Rental Payments or otherwise declare any Rental Payments not in default to be immediately due and payable. The provisions of this Agreement and the duties of County and of its board, officers or employees shall be enforceable by Corporation by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction. Without limiting the generality of the foregoing, Corporation shall have the right to bring the following actions:

(i) *Accounting.* By action or suit in equity to require County and its board, officers and employees and its assigns to account as the trustee of an express trust.

(ii) *Injunction.* By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of Corporation or its assignee.

(iii) *Mandamus.* By mandamus or other suit, action or proceeding at law or in equity to enforce Corporation's or its assignee's rights against County (and its board, officers and employees) and to compel County to perform and carry out its duties and obligations under the law and its covenants and agreements with County as provided herein.

Each and all of the remedies given to Corporation hereunder or by any law now or hereafter enacted are cumulative, and the single or partial exercise of any right, power or privilege hereunder shall not impair the right of Corporation to the further exercise thereof or the exercise of any or all other rights, powers or privileges. The term "relet" or "reletting," as used in this Section, shall include, but not be limited to, reletting by means of the operation by Corporation of the Project. If any statute or rule of law validly shall limit the remedies given to Corporation hereunder, Corporation nevertheless shall be entitled to whatever remedies are allowable under any statute or rule of law.

In the event Corporation shall prevail in any action brought to enforce any of the terms and provisions of this Agreement, County agrees, to the extent permitted by law, to pay a reasonable amount as and for attorneys' fees incurred by Corporation in attempting to enforce any of the remedies available to Corporation hereunder.

(c) Notwithstanding anything herein to the contrary, the termination of the Leaseback by Corporation upon an Event of Default shall not effect or result in a termination of the Lease of the Project by County to Corporation.

**Section 25. *Nonwaiver.*** No covenant or condition of this Agreement can be waived except by the written consent of Corporation and the written consent of County. Forbearance or indulgence by Corporation in any regard whatsoever shall not constitute a waiver of the covenant or condition in question. Until performance by County of said covenant or condition is complete, Corporation shall be entitled to invoke any remedy available to Corporation under this Agreement or by law or in equity despite said forbearance or indulgence.

**Section 26. *Assignment.*** Without the prior written consent of Corporation, County shall not (a) assign, transfer, pledge or hypothecate this Agreement the Project or any part thereof or any interest therein, or (b) sublet or lend the Project or any part thereof, or permit the Project or any part thereof to be used in a material way by anyone other than County or County's employees. Consent to any of the foregoing prohibited acts applies only in the given instance and is not a consent to any subsequent like act by County or any other person. Corporation (or any assignee) may assign its right, title and interest in this Agreement, the Rental Payments and other amounts due hereunder and its interest in the Project in whole or in part to one or more assignees or subassignees at any time, with the consent of County. Upon such assignment the assignee of such assignment shall be entitled to all rights of Corporation set forth herein and shall be entitled to all notices required to be sent to Corporation pursuant to this Agreement. County shall cooperate with Corporation (or its assignee) either now or hereafter by acknowledging any agreement relating thereto which in no way will alter or affect the terms and conditions of this Agreement and the assignment of this Agreement by Corporation or its assignee. No such assignment shall be effective as against County unless and until the entity or person making the assignment shall have filed with County written notice thereof. During the term of this Agreement County shall keep a complete and accurate record of all such notices of assignment as a register of all assignees and shall make payments to the assignee designated in such register. Subject always to the foregoing, this Agreement inures to the benefit of, and is binding upon, the heirs, legatees, personal representatives, successors and assigns of the parties hereto.

Concurrent with the execution of this Agreement, and in accordance with the procedures set forth in this Section, Corporation and Capital One Public Funding, LLC ("Assignee") are entering into an Assignment Agreement dated as of the date hereof (the "Assignment Agreement"). Pursuant to the Assignment Agreement, Corporation is assigning to Assignee without recourse all of its rights in this Agreement, including, but not limited to, the right to receive Rental Payments under this Agreement. County hereby consents to such assignment and agrees that Assignee

is an express third party beneficiary of this Agreement. Pursuant to the Assignment, Assignee shall be the lessor hereunder with respect to the Leaseback. Notwithstanding the foregoing, Corporation (in addition to Assignee), shall remain a named insured on all insurance policies required by **Section 18(a)** and Corporation and its directors, agents, officers and employees (in addition to Assignee and its directors, agents, officers and employees) shall remain indemnified parties under **Sections 22** and **30(c)**.

**Section 27. Prepayment.**

(a) County may prepay Rental Payments in whole upon damage, destruction or condemnation of the Project in accordance with the terms, and subject to the conditions, set forth in **Section 20**.

(b) County shall prepay Rental Payments in part to the extent and as required by **Section 2.03** of the Escrow Agreement.

(c) If the Rental Payments are prepaid in whole pursuant to this Section, then, as of the date of such prepayment, the term of this Agreement shall be terminated.

(d) Before making any prepayment pursuant to **subsection (a)** of this Section, County shall give written notice to Corporation specifying the date on which the prepayment will be made, which date shall be not more than 60 nor less than 45 days from the date such notice is given to Corporation.

**Section 28. Release of Liens.** Upon County's either making all of the Rental Payments scheduled herein or prepaying the Rental Payments in whole pursuant to **Section 27**, this Agreement shall terminate (except for **Sections 22** and **30(f)**) and Corporation, its successors or assigns (a) shall cause the release of any and all liens created under this Agreement and (b) shall execute any other documents required to terminate this Agreement.

**Section 29. Compliance With Law and Regulations, Etc.**

(a) County has, after due inquiry, no knowledge and has not given or received any written notice indicating that the Project or the past or present use thereof or any practice, procedure or policy employed by it in the conduct of its business materially violates any applicable law, regulation, code, order, rule, judgment or consent agreement, including, without limitation, those relating to zoning, building, use and occupancy, fire safety, health, sanitation, air pollution, ecological matters, environmental protection, hazardous or toxic materials, substances or wastes, conservation, parking, architectural barriers to the handicapped or restrictive covenants or other agreements affecting title to the Project (collectively, "Laws and Regulations").

(b) No portion of the Project located in an area of high potential incidence of radon has an unventilated basement or subsurface portion which is occupied or used for any purpose other than the foundation or support of the improvements to the Project.

(c) County has not received any notice from any insurance company which has issued a policy with respect to the Project or from the applicable state or local government agency responsible for insurance standards (or any other body exercising similar functions) requiring the performance of any repairs, alterations or other work, which repairs, alterations or other work have not been completed at the Project. County has not received any notice of default or breach which has not been cured under any covenant, condition, restriction, right-of-way, reciprocal easement, agreement or other easement affecting the Project which is to be performed or complied with by it.

**Section 30. Warranties, Covenants and Indemnities Regarding Environmental Matters.**

(a) As used in this Section, the following terms have the following meanings:

"Environmental Laws" means any now-existing or hereafter enacted or promulgated federal, state, local, or other law, statute, ordinance, rule, regulation or court order pertaining to (i) environmental protection, regulation, contamination or clean-up, (ii) toxic waste, (iii) underground storage tanks, (iv) asbestos or asbestos-containing materials, or (v) the handling, treatment, storage, use or disposal of Hazardous Substances, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act and The Resource Conservation and Recovery Act, all as exist from time to time.

"Hazardous Substances" means all (i) "hazardous substances" (as defined in 42 U.S.C. §9601(14)), (ii) "chemicals" subject to regulation under Title III of the Superfund Amendments and Reauthorization Act of 1986, as amended from time to time (iii) natural gas liquids, liquefied natural gas or synthetic gas, (iv) any petroleum, petroleum-based products or crude oil or any fraction, or (v) any other hazardous or toxic substances, wastes or materials, pollutants, contaminants or any other substances or materials which are included under or regulated by any Environmental Law.

(b) County warrants and represents to Corporation that (i) there has not, at any time during County's ownership of the Project, nor, to the knowledge of County, at any time prior to County's ownership of the Project, been any "release" (as defined in 42 U.S.C. §9601(22)) by County or any third party of any Hazardous Substances on, about, or near the Project (including without limitation adjacent or nearby properties) which could have come to be located upon the Project, or in the water or the groundwater thereon or thereunder; (ii) no part of the Project is or has been used at any time during County's ownership of the Project nor, to the knowledge of County, at any time prior to County's ownership of the Project as the site of any handling, treatment, storage, refining or disposal of any Hazardous Substances; (iii) no part of the Project is or has been at any time during County's ownership of the Project nor, to the knowledge of County, at any time prior to County's ownership of the Project, a "facility" (within the meaning of 42 U.S.C. §9607(a)); (iv) there are not now, nor has there been during County's ownership of the Project, nor, to the knowledge of County, at any time prior to County's ownership of the Project, any underground storage tanks located in, on or about any of the Project; (v) no asbestos or asbestos-containing materials are located in or have been installed, used, incorporated into or disposed of on or about the Project; (vi) no polychlorinated biphenyls are located on or about the Project, including without limitation in any electrical transformers or in fluorescent light fixtures or ballasts; (vii) there are no conditions on or about the Project which are violative of any Environmental Laws; and (viii) no claims or demands have been asserted or made by any third parties arising out of, relating to or in connection with any Hazardous Substances on or about or allegedly on or about the Project for any injuries suffered or incurred or allegedly suffered or incurred by reason of any of the foregoing.

(c) County warrants and represents that County has provided Corporation with copies of all emergency and hazardous chemical inventory forms (hereinafter "Environmental Notices") that relate to the Project previously given, as of the date hereof, by County to any federal, state or local governmental authority or agency as required pursuant to the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C.A. §11001 *et seq.*, or any other Environmental Laws. County will provide Corporation with copies of all Environmental Notices that relate to the Project subsequently sent to any such governmental authority or agency as required pursuant to the Emergency Planning and Community Right-to-Know Act of 1986 or any other Environmental Laws. Such copies of subsequent Environmental Notices shall be sent to Corporation concurrently with their being mailed to any such governmental authority or agency.

(d) County will provide Corporation with copies of any notifications of releases of Hazardous Substances or of any environmental hazards or potential hazards which are given by or on behalf of County to any federal, state or local or other agencies or authorities or which are received by County from any federal, state or local or other agencies or authorities with respect to the Project. Such copies shall be sent to Corporation concurrently with their being mailed or delivered to the governmental agencies or authorities or within ten days after they are received by County.

(e) County will comply with and operate and at all times use, keep and maintain the Project and every part thereof (whether or not such property constitutes a facility, as defined in 42 U.S.C. § 9601 *et seq.*) in conformance with all Environmental Laws. Without limiting the generality of the foregoing, County will not use, generate, treat, store, dispose of or otherwise introduce any Hazardous Substance into or on the Project or any part thereof nor cause, suffer, allow or permit anyone else to do so except in the ordinary course of the operation of County's business and in compliance with all Environmental Laws.

(f) To the extent permitted by law, County shall, at its expense, indemnify and hold Corporation and its directors, officers, agents and employees harmless from and against any and all claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, arising from (i) any release (as defined above) or threat of a release, actual or alleged, of any Hazardous Substances, upon or about the Project or respecting any products or materials previously, now or thereafter located upon, delivered to or in transit to or from the Project, regardless of whether

such release or threat of release or alleged release or threat of release has occurred prior to the date hereof or hereafter occurs and regardless of whether such release occurs as a result of any act, omission, negligence or misconduct of County or any third party or otherwise, (ii) (A) any violation now existing (actual or alleged) of, or any other liability under or in connection with, any Environmental Laws relating to or affecting the Project, or (B) any now existing or hereafter arising violation, actual or alleged, or any other liability, under or in connection with, any Environmental Laws relating to any products or materials previously, now or hereafter located upon, delivered to or in transit to or from the Project, regardless of whether such violation or alleged violation or other liability is asserted or has occurred or arisen prior to the date hereof or hereafter is asserted or occurs or arises and regardless of whether such violation or alleged violation or other liability occurs or arises, as the result of any act, omission, negligence or misconduct of County or any third party or otherwise, (iii) any assertion by any third party of any claims or demands for any loss or injury arising out of, relating to or in connection with any Hazardous Substances on or about or allegedly on or about County, or (iv) any breach, falsity or failure of any of the representations, warranties, covenants and agreements contained in this Section. This subsection (f) shall survive any termination of this Agreement.

**Section 31. *Advances.*** If County shall fail to perform any of its obligations under this Agreement, Corporation may, but shall not be obligated to, take such action as may be necessary to cure such failure, including the advancement of money, and County shall be obligated to repay all such advances on demand, with interest, to the extent permitted by law, at the lesser of the highest rate permitted by law or 12% per annum from the date of advance to the date of repayment.

**Section 32. *Severability.*** If any provision of this Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holdings shall not invalidate or render unenforceable any other provision of this Agreement, unless elimination of such provision materially alters the rights and obligations embodied in this Agreement.

**Section 33. *Entire Agreement, Amendments.*** This Agreement (including Exhibits hereto) and any agreements that specifically refer to this Agreement that are duly executed by authorized agents of the parties thereto constitute the entire agreement between Corporation and County, and none of such agreements shall be further amended, altered or changed except by a written agreement that is properly authorized and executed by the parties hereto.

**Section 34. *Notices.*** Service of all notices under this Agreement shall be sufficient if given personally, mailed by first class, registered or certified mail to the party involved at its respective addresses set forth below or at such other address as such party may provide in writing from time to time, or transmitted by telecopy to the party involved at its respective telecopier number as hereinafter set forth or at such other telecopier number:

- (a) If to Lessee: County of Santa Barbara, California  
105 E. Anapamu Street, Room 109  
Santa Barbara, California 93101  
Telecopier: (805) 568-2488
- (b) If to Corporation: CaLease Public Funding Corporation  
1100 K Street, Suite 101  
Sacramento, California 95814  
Telecopier: (916) 327-7654
- (c) If to Assignee: Capital One Public Funding, LLC  
275 Broadhollow Road  
Melville, New York 11747  
Telecopier: (631) 574-3102

Any such notice mailed to such address shall be effective when deposited in the United States mail, duly addressed and with postage prepaid.

**Section 35. *Tax Compliance Agreement.*** Simultaneously with the execution and delivery of this Agreement, County has entered into a Tax Compliance Agreement dated as of the date hereof (the "Tax Compliance

Agreement"), with Lessor and Escrow Agent. County will comply with the Tax Compliance Agreement, which is hereby incorporated herein.

**Section 36. *Titles.*** The titles to the Sections of this Agreement are solely for the convenience of the parties and are not an aid in the interpretation thereof.

**Section 37. *Time.*** Time is of the essence in this Agreement and each and all of its provisions.

**Section 38. *Lease Interpretation.*** *This* Agreement and the rights of the parties hereunder shall be determined in accordance with the laws of the State of California.

**Section 39. *Execution in Counterparts.*** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

**CALEASE PUBLIC FUNDING CORPORATION**

By: \_\_\_\_\_  
Name: Terrence Murphy  
Title: Program Manager

**COUNTY OF SANTA BARBARA, CALIFORNIA,  
as Lessee**

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ATTEST:  
MICHAEL F. BROWN  
CLERK OF THE BOARD**

By \_\_\_\_\_  
Deputy

**APPROVED AS TO FORM:  
DENNIS A. MARSHALL  
COUNTY COUNSEL**

By \_\_\_\_\_  
Deputy County Counsel

**APPROVED AS TO FORM:  
ROBERT W. GEIS  
AUDITOR-CONTROLLER**

By \_\_\_\_\_  
Deputy

**APPROVED:**

By \_\_\_\_\_  
Ronn Carlentine SR/WA  
Real Property Manager

**APPROVED:**

By \_\_\_\_\_  
Ray Aromatorio  
Risk Program Administrator



**ACKNOWLEDGMENT**

**STATE OF CALIFORNIA**

**COUNTY OF \_\_\_\_\_**

On \_\_\_\_\_, 2009, before me, \_\_\_\_\_  
(Name of Notary Public)

A notary public, personally appeared \_\_\_\_\_

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 of Notary Public)

(This area for notarial seal.)

**ACKNOWLEDGMENT**

**STATE OF CALIFORNIA**

**COUNTY OF \_\_\_\_\_**

On \_\_\_\_\_, 2009, before me, \_\_\_\_\_  
(Name of Notary Public)

A notary public, personally appeared **TERRENCE MURPHY**

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 of Notary Public)

(This area for notarial seal)

**EXHIBIT A**

**LEGAL DESCRIPTION**

Building Location: 4440 Calle Real, Santa Barbara CA 93110

[Legal Description to follow.]

**EXHIBIT B**

**PROJECT COST STATEMENT**

**A. Description of Project.**

The Project consists of the land described on Exhibit A of this Agreement and County's Elections Division Building (a two-story 23,800 square foot building located at 4440 Calle Real, Santa Barbara, California), together with all improvements and fixtures to be made thereto, to be used by various departments of County.

**B. Summary Project Cost.**

Renovations.....	\$ _____
Escrow Settlement Fees.....	_____
ALTA extended title policy.....	_____
ALTA Survey work.....	_____
Environmental Site Assessment .....	_____
Building inspection .....	_____
Appraisal .....	_____
Title Insurance Policy and Recording Fees .....	_____
Prorated Property Taxes.....	_____
Capitalized Interest during Acquisition Period .....	_____
Total .....	<u>\$1,600,000.00</u>

EXHIBIT C

RENTAL PAYMENT SCHEDULE

Principal Amount: \$1,600,000

Interest Rate: 5.277%

Closing Date: November \_\_, 2009

[To be revised to reflect actual funding date.]

Date	Payment	Interest	Principal	Balance
5/1/2010	\$103,982.97	\$42,216.00	\$61,766.97	\$1,538,233.03
11/1/2010	103,982.97	40,586.28	63,396.69	1,474,836.34
5/1/2011	103,982.97	38,913.56	65,069.41	1,409,766.93
11/1/2011	103,982.97	37,196.70	66,786.27	1,342,980.66
5/1/2012	103,982.97	35,434.54	68,548.43	1,274,432.23
11/1/2012	103,982.97	33,625.89	70,357.08	1,204,075.15
5/1/2013	103,982.97	31,769.52	72,213.45	1,131,861.70
11/1/2013	103,982.97	29,864.17	74,118.80	1,057,742.90
5/1/2014	103,982.97	27,908.55	76,074.42	981,668.48
11/1/2014	103,982.97	25,901.32	78,081.65	903,586.83
5/1/2015	103,982.97	23,841.14	80,141.83	823,445.00
11/1/2015	103,982.97	21,726.60	82,256.37	741,188.63
5/1/2016	103,982.97	19,556.26	84,426.71	656,761.92
11/1/2016	103,982.97	17,328.66	86,654.31	570,107.61
5/1/2017	103,982.97	15,042.29	88,940.68	481,166.93
11/1/2017	103,982.97	12,695.59	91,287.38	389,879.55
5/1/2018	103,982.97	10,286.97	93,696.00	296,183.55
11/1/2018	103,982.97	7,814.80	96,168.17	200,015.38
5/1/2019	103,982.97	5,277.41	98,705.56	101,309.82
11/1/2019	<u>103,982.97</u>	<u>2,673.15</u>	<u>101,309.82</u>	0.00
	<u>\$2,079,659.40</u>	<u>\$479,659.40</u>	<u>\$1,600,000</u>	