

ATTACHMENT B
EASEMENT, JOINT USE AND MAINTENANCE AGREEMENT

ATTACHMENT B

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

GUBB & BARSHAY
Fifty California Street, Suite 3155
San Francisco, CA 94111
Attn: Natalie L. Gubb

EASEMENT, JOINT USE AND MAINTENANCE AGREEMENT

This Easement, Joint Use and Maintenance Agreement (“Agreement”) is entered into as of _____, 2012, by and between **Peoples' Self-Help Housing Corporation**, a California non-profit public benefit corporation (“PSHHC”) and **Dahlia Court II, L.P.**, a California limited partnership (the “Partnership”).

A. PSHHC owns that certain real property in Carpinteria, California which is described in Exhibit A, attached hereto (the “**PSHHC Property**”). The PSHHC Property is currently improved with a multi-family housing project known as the “**Dahlia Court I Project**.”

B. The Partnership owns that certain real property in Carpinteria, California which is described in Exhibit B, attached hereto (the “**Partnership Property**”). The Partnership Property is currently vacant, but the Partnership plans to improve it with a multi-family housing project to be known as the “**Dahlia Court II Project**.”

C. The Dahlia Court I Project and the Dahlia Court II Project are each referred to herein as a “**Project**” and collectively as the “**Projects**”.

D. The PSHHC Property and the Partnership Property are contiguous properties.

E. Each property includes or will include certain improvements which will be available for the joint use of the parties and their respective tenants, employees, contractors, guests and invitees (collectively, the “**Permitted Users**”), subject to the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants below and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Easements – General Conditions.

(a) Unless otherwise provided herein, all easements granted hereunder are (i) non-exclusive, perpetual and irrevocable by the party granting such easement(s); and (ii) for the benefit of the grantee of such easement and its Permitted Users.

(b) The location of each of the easements described in this Agreement is shown on Exhibit C.

(c) The grant of an easement shall bind and burden the grantor's property which shall, for the purpose of this Agreement, be the servient tenement. The grant of an easement shall benefit the grantee's property which shall, for the purpose of this Agreement, be the dominant tenement.

2. Access.

(a) Dahlia Court I includes an internal roadway (the "**Primary Access Road**") which provides vehicular and pedestrian access from the roadway known as Dahlia Court to the Projects, and vice versa. PSHHC hereby grants to the Partnership and the Partnership's Permitted Users an easement for pedestrian and vehicular access over the Primary Access Road as necessary to provide ingress and egress from the roadway known as Dahlia Court to each Project and the facilities located thereon, and vice versa.

(b) Dahlia Court I includes an internal roadway (the "**Emergency Access Road**") which provides secondary emergency vehicular and pedestrian access from Santa Ynez Avenue to the Projects, and vice versa. PSHHC hereby grants to the Partnership and the Partnership's Permitted Users and to the City of Carpinteria an easement for emergency pedestrian and vehicular access over the Emergency Access Road as necessary to provide emergency ingress and egress from Santa Ynez Avenue to each Project and the facilities located thereon, and vice versa, including access for emergency vehicles to and from the Projects.

(c) Each Project includes or will include internal roadways and pedestrian pathways (the "**Internal Roadways**") which provide vehicular and/or pedestrian access to facilities located within each Project. PSHHC hereby grants to the Partnership and the Partnership's Permitted Users an easement for pedestrian and vehicular access over the Internal Roadways located within the Dahlia Court I Project as necessary to access each Project and the facilities located thereon. The Partnership hereby grants to PSHHC and PSHHC's Permitted Users an easement for pedestrian and vehicular access over the Internal Roadways located within the Dahlia Court II Project as necessary to access each Project and the facilities located thereon.

3. Parking.

(a) Each Project includes or will include surface parking spaces for use by tenants of each Project and their invitees. The property manager for the Projects (or the property managers for each Project, working together, if there is more than one property manager) will assign to each tenant of the Projects a parking space for the exclusive use of the tenant and the tenant's household. A tenant's assigned parking space may be located on either Project, regardless of the Project in which the tenant resides. PSHHC hereby grants to the Partnership and the Partnership's tenants an easement for the use of tenant parking spaces located on the Dahlia Court I Project which are assigned for use by tenants of the Dahlia Court II Project, and an easement for ingress and egress over all parking areas and driveways that constitute part of the Dahlia Court I Project which are necessary to access such tenant parking spaces. The easement joint use agmt_2-27-12

Partnership hereby grants to PSHHC and PSHHC's tenants an easement for the use of tenant parking spaces located on the Dahlia Court II Project which are assigned for use by tenants of the Dahlia Court I Project, and an easement for ingress and egress over all parking areas and driveways that constitute part of the Dahlia Court II Project which are necessary to access such tenant parking spaces.

(b) Each Project includes or will include surface parking spaces which are designated for guest parking. Guests or invitees of a tenant of either Project may park in any vacant parking spaces designated for guest parking, regardless of the Project on which such parking space is located. PSHHC hereby grants to the Partnership and the Partnership's tenants' guests and invitees an easement for the use of guest parking spaces located on the Dahlia Court I Project, and an easement for ingress and egress over all parking areas and driveways that constitute part of the Dahlia Court I Project which are necessary to access such guest parking spaces. The Partnership hereby grants to PSHHC and PSHHC's tenants' guests and invitees an easement for the use of guest parking spaces to be located on the Dahlia Court II Project and an easement for ingress and egress over all parking areas and driveways that constitute part of the Dahlia Court II Project which are necessary to access such guest parking spaces.

(c) Each party agrees to limit each tenant household to one on-site parking space.

4. Community Room. The Dahlia Court II Project will include a community room for use by tenants of each Project. The Partnership hereby grants to PSHHC and PSHHC's tenants' guests and invitees an easement for the use of community room to be located on the Dahlia Court II Project.

5. Other Community Facilities. Each Project includes or will include laundry facilities, play areas, barbeque pits and bicycle parking areas (collectively, the "**Community Facilities**") which are available for the shared use by both Projects. PSHHC hereby grants to the Partnership and the Partnership's tenants, and such tenants' guests and invitees, an easement for the use of the Community Facilities located on the Dahlia Court I Project. The Partnership hereby grants to PSHHC and PSHHC's tenants, and such tenants' guests and invitees, an easement for the use of the Community Facilities to be located on the Dahlia Court II Project.

6. Trash. Dahlia Court I includes a trash enclosure with approximately six trash bins which are for the shared use of both Projects. PSHHC hereby grants to the Partnership and the Partnership's Permitted Users an easement for the shared use of the trash bins located on the Dahlia Court I Project for refuse generated by the Dahlia Court II Project.

7. Rules and Regulations. From time to time, with mutual consent, the parties shall establish rules and regulations for the use of the easements and facilities described in this Agreement.

8. General Use Requirements. The parties shall use the easements granted hereunder in a reasonable manner, and shall not obstruct or otherwise use the easements, or permit any of their permitted parties to use the easements, in a manner that would materially or substantially interfere with the use thereof by the party granting the respective easement.

9. Maintenance.

(a) Except as provided in Section 11, each party shall be solely responsible for the cost and performance of any maintenance, replacement and/or repair of the easement areas and the facilities described in this Agreement which are located on such party's property so as to keep such areas and facilities in good condition and repair.

(b) Each party retains the right, from time to time, to relocate and/or modify any of the roads or facilities described herein on such party's property; provided, however, that no relocation or alteration shall adversely affect the rights of the other party hereunder without the prior written consent of the other party.

10. Development of the Dahlia Court II Project. The Partnership agrees that its development of the Dahlia Court II Project shall be substantially in accordance with the Plans and Specifications dated as of February 24, 2012.

11. Indemnity. Each party (as applicable, the "Indemnifying Party") shall hold harmless, indemnify and defend the other party, and its respective employees, owners, partners, lenders, successors and assigns (collectively, the "Indemnified Parties"), from and against any and all actual liabilities and claims, arising from or related to the Indemnifying Party's (or any Permitted User of the Indemnify Party) use of the easements and facilities on the Indemnifying Party's property as described in this Agreement, including, but not limited to, any damage to property (to the extent the damage is not covered by any casualty insurance) or injury to or death of any person (to the extent the liability is not covered by liability insurance), except to the extent caused by the gross negligence or willful misconduct of the Indemnified Parties, or their Permitted Users. The indemnity shall cover the costs and expenses of the Indemnified Parties, including reasonable attorney's fees and costs related to any actions, suits or judgments incident to any of the matters covered by such indemnity. Except as set forth herein, the parties' indemnity obligations shall not be affected by any insurance carried by either party.

12. Priority. The terms and provisions of this Agreement are and shall be superior and prior to (i) any leases and (ii) any grant deed or other such instrument or agreement creating or transferring an interest in the PSHHC Property or the Partnership Property.

13. Dispute Resolution Procedures. In the event of any dispute under this Agreement, the parties shall meet within 30 days of delivery of a written request by either party to meet and discuss the dispute. Each party shall have a person in attendance who has the authority to resolve the dispute on behalf of that party. The parties shall negotiate in good faith to resolve the dispute. If an action or proceeding is brought to enforce or interpret any provision of this Agreement, regardless of whether any legal action or other proceeding is pursued to final judgment, the losing party shall pay the prevailing party's reasonable actual expenses incurred in connection with such action or proceeding.

14. No Public Rights. This Agreement shall be considered a grant of private easements only, and shall not be construed to create any rights in the general public to use the easements.

15. Assignment. This Agreement shall run with the land and inure to the benefit of and be binding upon the parties and their respective successors, including, without limitation, all subsequent owners of any interest in the PSHHC Property, the Dahlia Court I Project, the Partnership Property, or the Dahlia Court II Project. Otherwise the rights and obligations of the Partnership and PSHHC may not be assigned by either party without the prior written consent of the other party.

16. Term. This Agreement shall be perpetual in duration unless terminated by a written agreement executed by all of the then current owners of the PSHHC Property and the Partnership Property and recorded in the Official Records of Santa Barbara County, California.

17. Amendments. This Agreement may be amended or terminated only by a written instrument which is executed by all of the then current owners of the PSHHC Property and the Partnership Property or any interest therein and recorded in the Official Records of Santa Barbara County, California.

18. No Waiver. No waiver of any provision or breach of this Agreement shall constitute a wavier of any other provision or breach of this Agreement.

19. Interpretation. If any term or provision of this Agreement shall, to any extent, be invalid or unenforceable under applicable law, then the remaining terms and provisions of this Agreement shall not be affected.

20. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

21. Notices. All notices and payments required under the terms of this Agreement shall be sent to the parties at the addresses set forth below:

To the Partnership:

Dahlia Court II, L.P.
c/o Peoples' Self-Help Housing Corporation
3533 Empleo Street
San Luis Obispo, CA 93401
Attn: Executive Director

With a copy to: [investor]

To PSHHC:

Peoples' Self-Help Housing Corporation
3533 Empleo Street
San Luis Obispo, CA 93401
Attn: Executive Director

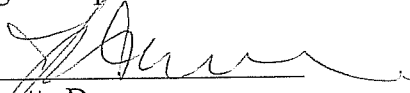
Any notice or payment shall be deemed given and received when (i) personally delivered, or (ii) seventy-two (72) hours after deposit into the United States mail, certified or registered, return receipt requested, or (iii) twenty-four (24) hours after sent by an overnight courier service, addressed to the appropriate foregoing address, or to such other address as a party may specify by written notice delivered as provided in this paragraph.

Signatures on Following Page

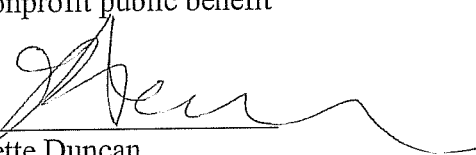
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

PARTNERSHIP:
Dahlia Court II, L.P., a California limited partnership

By: Peoples' Self-Help Housing Corporation, a California nonprofit public benefit corporation, its managing general partner

By: 
Jeanette Duncan
Executive Director

PSHHC:
Peoples' Self-Help Housing Corporation, a California nonprofit public benefit corporation

By: 
Jeanette Duncan
Executive Director

Signatures Must be Notarized

State of California

County of San Luis Obispo

On February 28, 2012 before me Beverly J. Diggles,
Date

personally appeared Jeanette Duncan,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Beverly J. Diggles
Signature of Notary Public

Exhibit A
Legal Description of the PSHHC Property
(Dahlia Court I)

That certain real property in the City of Carpinteria, County of Santa Barbara, State of California described as Parcel 1 in Lot line Adjustment No. 09-1527-LLA recorded July 5, 2011 as Instrument No. 2011-0038453 of Official Records in the office of the County Recorder of said County.

EXCEPTING THEREFROM 50% of the oil, gas and other hydrocarbon substances and minerals that may be within or under said land, without, however the right of surface entry or the use of the subsurface thereof to the depth of 500 feet below the present surface of said land, as reserved in the deed from Samuel Edwards Associates to Carolyn Cochrane Thoroughgood, recorded March 7, 1968 as Instrument No. 7895 in Book 2224 Page 377 of Official Records.

EXCEPTING THEREFROM all oil, oil rights, minerals, mineral rights and other hydrocarbons, without however the right to enter the surface of said land as reserved by Samuel Edwards Associates in the document recorded in the office of said County Recorder January 12, 1953 as Instrument No. 430, in Book 1121, Page 236 of Official Records.

Exhibit B
Legal Description of the Partnership Property
(Dahlia Court II)

That certain real property in the City of Carpinteria, County of Santa Barbara, State of California described as Parcel 2 in Lot line Adjustment No. 09-1527-LLA recorded July 5, 2011 as Instrument No. 2011-0038453 of Official Records in the office of the County Recorder of said County.

EXCEPTING THEREFROM 50% of the oil, gas and other hydrocarbon substances and minerals that may be within or under said land, without, however the right of surface entry or the use of the subsurface thereof to the depth of 500 feet below the present surface of said land, as reserved in the deed from Samuel Edwards Associates to Carolyn Cochrane Thoroughgood, recorded March 7, 1968 as Instrument No. 7895 in Book 2224 Page 377 of Official Records.

EXCEPTING THEREFROM all oil, oil rights, minerals, mineral rights and other hydrocarbons, without however the right to enter the surface of said land as reserved by Samuel Edwards Associates in the document recorded in the office of said County Recorder January 12, 1953 as Instrument No. 430, in Book 1121, Page 236 of Official Records.

Exhibit C
Diagram of Easements

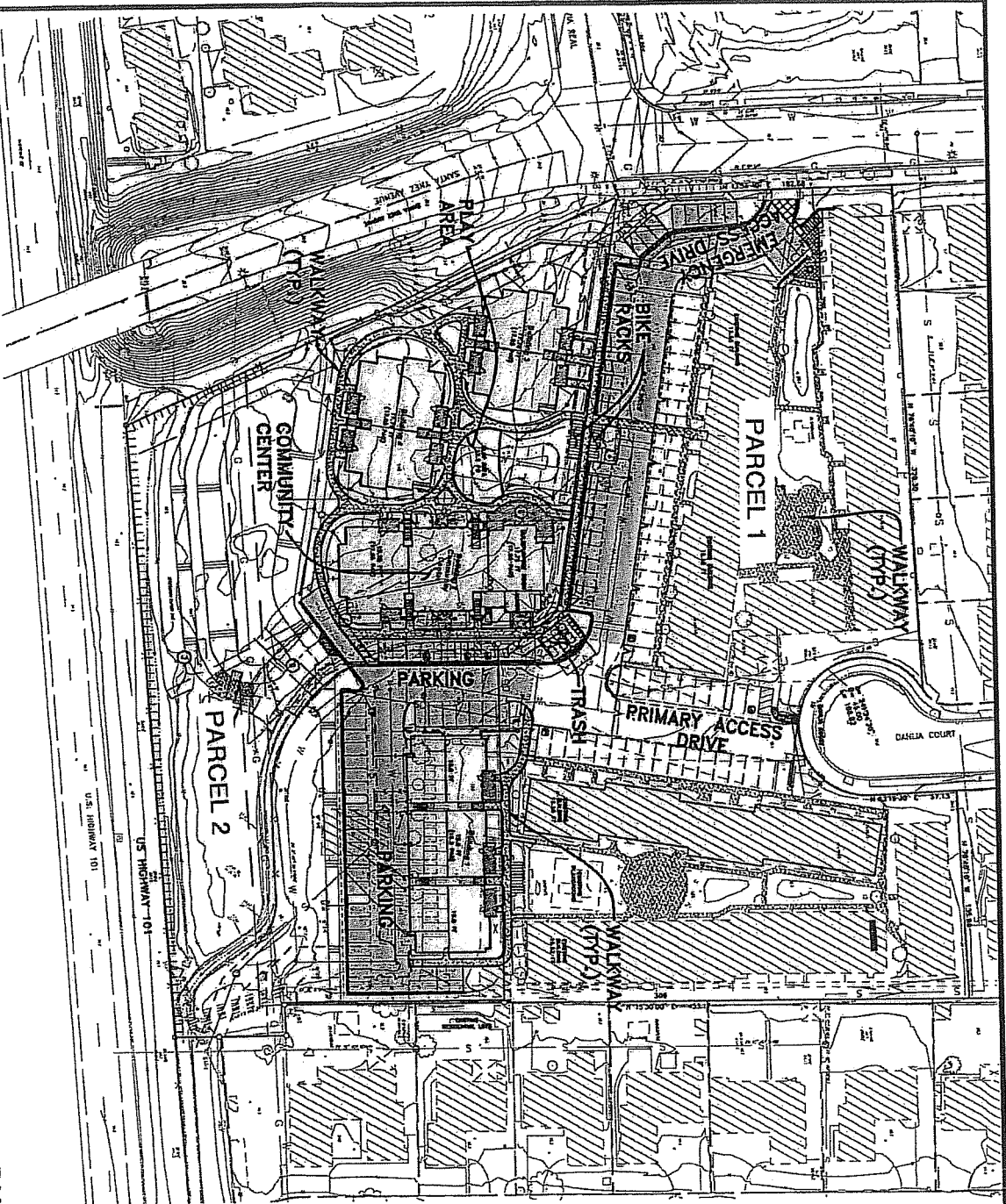


EXHIBIT "C"

Penfield & Smith
 Engineering • Surveying • Planning
 • Construction Management •



W.O.19183.05

19183EH-DIAGRAM OF EASEMENTS.DWG

DIAGRAM OF EASEMENTS
 DAHLIA COURT EXPANSION

CITY OF CARPINTERIA
 STATE OF CALIFORNIA

SCALE: 1" = 100' FEBRUARY 6, 2012

CONSENT AND SUBORDINATION

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA- \$4,000,000 Loan to Peoples' Self-Help Housing Corporation

The undersigned lender made the following loan to Peoples' Self-Help Housing Corporation ("PSHHC"):

A \$4,000,000 loan which is secured by a Deed of Trust recorded December 6, 1999, as Instrument No. 99-95072 in the Official Records of the County of Santa Barbara, a Regulatory Agreement and Declaration of Restrictive Covenants recorded on December 6, 1999, as Instrument No. 99-95071, and an Assignment recorded on December 6, 1999, as Instrument No. 99-95074.

The documents evidencing the loan described above are referred to collectively as the "Security Documents."

The undersigned lender hereby consents to the Easement, Joint Use and Maintenance Agreement to which this consent is attached, and agrees that the Security Documents shall be subject and subordinate to the Easement, Joint Use and Maintenance Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound hereby, Lender agrees as follows:

1. The Security Documents and all of Lender's rights, interests, claims and remedies under each of the Security Documents are and shall be subject and subordinate to the Easement, Joint Use and Maintenance Agreement and the rights of PSHHC and Dahlia Court II, L.P. (the "Partnership") to enforce the terms and conditions of the Easement, Joint Use and Maintenance Agreement, with the same force and effect as if the Easement, Joint Use and Maintenance Agreement had been executed and recorded prior to the execution and recordation of each of the Security Documents.
2. Lender agrees that in the event of a foreclosure of the deed of trust described above, or a transfer in lieu of foreclosure of any portion of the property which is subject to the Easement, Joint Use and Maintenance Agreement, the purchaser at any such foreclosure or the transferee under any deed in lieu of foreclosure shall take title to such property subject to all of the terms and conditions of the Easement, Joint Use and Maintenance Agreement.
3. This Consent and Subordination shall be binding upon Lender and its successors and assigns.

4. This Consent and Subordination shall be construed and enforced in accordance with the laws of the State of California.

LENDER:

Housing Authority of the County of Santa Barbara

By: _____

Title: _____

Date: _____

SIGNATURE MUST BE NOTARIZED

State of California

County of _____

On _____ before me _____,
Date

personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

CONSENT AND SUBORDINATION

RURAL COMMUNITY ASSISTANCE CORPORATION- \$500,000 Loan to Peoples' Self-Help Housing Corporation

The undersigned lender made the following loan to Peoples' Self-Help Housing Corporation ("PSHHC"):

A \$500,000 loan which is secured by a Deed of Trust recorded December 6, 1999, as Instrument No. 99-95076 in the Official Records of the County of Santa Barbara.

The documents evidencing the loan described above are referred to collectively as the "Security Documents."

The undersigned lender hereby consents to the Easement, Joint Use and Maintenance Agreement to which this consent is attached, and agrees that the Security Documents shall be subject and subordinate to the Easement, Joint Use and Maintenance Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound hereby, Lender agrees as follows:

1. The Security Documents and all of Lender's rights, interests, claims and remedies under each of the Security Documents are and shall be subject and subordinate to the Easement, Joint Use and Maintenance Agreement and the rights of PSHHC and Dahlia Court II, L.P. (the "Partnership") to enforce the terms and conditions of the Easement, Joint Use and Maintenance Agreement, with the same force and effect as if the Easement, Joint Use and Maintenance Agreement had been executed and recorded prior to the execution and recordation of each of the Security Documents.
2. Lender agrees that in the event of a foreclosure of the deed of trust described above, or a transfer in lieu of foreclosure of any portion of the property which is subject to the Easement, Joint Use and Maintenance Agreement, the purchaser at any such foreclosure or the transferee under any deed in lieu of foreclosure shall take title to such property subject to all of the terms and conditions of the Easement, Joint Use and Maintenance Agreement.
3. This Consent and Subordination shall be binding upon Lender and its successors and assigns.

4. This Consent and Subordination shall be construed and enforced in accordance with the laws of the State of California.

LENDER:
Rural Community Assistance Corporation
By: _____
Title: _____
Date: _____

SIGNATURE MUST BE NOTARIZED

State of California

County of _____

On _____ before me _____,
Date

personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

CONSENT AND SUBORDINATION

CITY OF CARPINTERIA- \$100,000 Loan to Peoples' Self-Help Housing Corporation

The undersigned lender made the following loan to Peoples' Self-Help Housing Corporation ("PSHHC"):

A \$100,000 loan which is secured by a Deed of Trust recorded December 6, 1999, as Instrument No. 99-95078 in the Official Records of the County of Santa Barbara, and an Affordability Control Covenant Imposed on Real Property recorded December 6, 1999, as Instrument No. 99-95080.

The documents evidencing the loan described above are referred to collectively as the "Security Documents."

The undersigned lender hereby consents to the Easement, Joint Use and Maintenance Agreement to which this consent is attached, and agrees that the Security Documents shall be subject and subordinate to the Easement, Joint Use and Maintenance Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound hereby, Lender agrees as follows:

1. The Security Documents and all of Lender's rights, interests, claims and remedies under each of the Security Documents are and shall be subject and subordinate to the Easement, Joint Use and Maintenance Agreement and the rights of PSHHC and Dahlia Court II, L.P. (the "Partnership") to enforce the terms and conditions of the Easement, Joint Use and Maintenance Agreement, with the same force and effect as if the Easement, Joint Use and Maintenance Agreement had been executed and recorded prior to the execution and recordation of each of the Security Documents.
2. Lender agrees that in the event of a foreclosure of the deed of trust described above, or a transfer in lieu of foreclosure of any portion of the property which is subject to the Easement, Joint Use and Maintenance Agreement, the purchaser at any such foreclosure or the transferee under any deed in lieu of foreclosure shall take title to such property subject to all of the terms and conditions of the Easement, Joint Use and Maintenance Agreement.
3. This Consent and Subordination shall be binding upon Lender and its successors and assigns.

4. This Consent and Subordination shall be construed and enforced in accordance with the laws of the State of California.

LENDER:

City of Carpinteria

By: _____

Title: _____

Date: _____

SIGNATURE MUST BE NOTARIZED

State of California

County of _____

On _____ before me _____,
Date

personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

CONSENT AND SUBORDINATION

**COUNTY OF SANTA BARBARA-
Loans of \$972,116, \$446,489, \$422,613, \$250,800 and \$86,536 to Peoples' Self-Help Housing Corporation**

The undersigned lender made the following loans to Peoples' Self-Help Housing Corporation ("PSHHC"):

1. A \$972,116 loan of HOME funds which is secured by a Deed of Trust recorded June 8, 2010, as Instrument No. 2010-30084 in the Official Records of the County of Santa Barbara, as modified by a Modification Agreement, Supplement to Deed of Trust and Partial Reconveyance recorded July 5, 2010, as Instrument No. 2011-38449, and a Regulatory Agreement and Declaration of Restrictive Covenants recorded June 8, 2010, as Instrument No. 2010-30085;
2. A \$446,489.00 loan of CDBG funds, which is secured by Deed of Trust recorded June 8, 2010, as Instrument No. 2010-30086 in the Official Records of the County of Santa Barbara, as modified by a Modification Agreement, Supplement to Deed of Trust and Partial Reconveyance recorded July 5, 2010, as Instrument No. 2011-38450, and a Regulatory Agreement and Declaration of Restrictive Covenants recorded June 8, 2010, as Instrument No. 2010-30087;
3. A \$422,613 loan which is secured by a Deed of Trust recorded on November 16, 2000, as Instrument No. 2000-70787 in the Official Records of the County of Santa Barbara, and a Regulatory Agreement and Declaration of Restrictive Covenants recorded on November 16, 2000, as Instrument No. 2000-70788;
4. A \$250,800 loan which is secured by a Deed of Trust recorded on September 26, 2001, as Instrument No. 2001-82627, and a Regulatory Agreement and Declaration of Restrictive Covenants recorded on September 26, 2001, as Instrument No. 2001-82628; and
5. An \$86,536 loan which is secured by a Deed of Trust recorded on March 20, 2002, as Instrument No. 2002-27031, and a Regulatory Agreement and Declaration of Restrictive Covenants recorded on March 20, 2002, as Instrument No. 2002-27030.

The documents evidencing the loans described above are referred to collectively as the "Security Documents."

The undersigned lender hereby consents to the Easement, Joint Use and Maintenance Agreement

Rabobank Consent – Dahlia II

to which this consent is attached, and agrees that the Security Documents shall be subject and subordinate to the Easement, Joint Use and Maintenance Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound hereby, Lender agrees as follows:

1. The Security Documents and all of Lender's rights, interests, claims and remedies under each of the Security Documents are and shall be subject and subordinate to the Easement, Joint Use and Maintenance Agreement and the rights of PSHHC and Dahlia Court II, L.P. (the "Partnership") to enforce the terms and conditions of the Easement, Joint Use and Maintenance Agreement, with the same force and effect as if the Easement, Joint Use and Maintenance Agreement had been executed and recorded prior to the execution and recordation of each of the Security Documents.
2. Lender agrees that in the event of a foreclosure of any of the deeds of trust described above, or a transfer in lieu of foreclosure of any portion of the property which is subject to the Easement, Joint Use and Maintenance Agreement, the purchaser at any such foreclosure or the transferee under any deed in lieu of foreclosure shall take title to such property subject to all of the terms and conditions of the Easement, Joint Use and Maintenance Agreement.
3. This Consent and Subordination shall be binding upon Lender and its successors and assigns.
4. This Consent and Subordination shall be construed and enforced in accordance with the laws of the State of California.

LENDER:

County of Santa Barbara, a political subdivision of the State of California

By: _____
Title: _____
Date: _____

SIGNATURE MUST BE NOTARIZED

State of California

County of _____

On _____ before me _____,
Date

personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public