



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: General Services
Department No.: 063
For Agenda Of: 10/24/2006
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director(s) Bob Nisbet, Director (560-1011)
General Services Department
Contact Info: Paddy Langlands, Assistant Director (568-3096)
Support Services Division
**SUBJECT: One Stop Center - Lease Agreement, Santa Maria
RES File # 003127**

County Counsel Concurrence:

As to form: Yes No N/A

Auditor-Controller Concurrence:

As to form: Yes No N/A

Other Concurrence: Risk Management

As to form: Yes No N/A

Recommended Action(s):

That the Board of Supervisors:

1. Approve and execute the original and duplicate original Tenant Estoppel Certificate recognizing Santa Maria Broadway Plaza, L.L.C. as our Landlord under a lease for the use of approximately 43,068 square feet of office space located at 1328-1458 B Santa Maria Broadway Plaza Shopping Center, in Santa Maria, for a period commencing on October 1, 1998 and terminating on October 31, 2008, with a renewal/extension options of two (2) five (5) year terms until October 31, 2018.
2. Approve and execute the original and duplicate original Subordination, Non-Disturbance and Attornment Agreement between UBS Real Estate Investments Inc. ("Lender"), County of Santa Barbara ("Tenant"), and Santa Maria Broadway Plaza, LLC ("Landlord") to reflect the County's lease with Landlord shall be unconditional subject and subordinate to a new Mortgage/Deed of Trust of Landlord.

Summary:

The Landlord has requested the County to execute the Tenant Estoppel Certificate and Subordination, Non-Disturbance and Attornment Agreement to assist the Landlord with new financing for the subject property. The County's assistance with the Landlord's private financing will not impact the current lease.

Background:

Since October 1, 1998, Social Service’s One Stop Center Program has leased the premises at 1328 through 1458 B South Broadway, in Santa Maria. Currently, the amount of fixed rent for the leased premises is \$61,615.01. The lease will expire on October 31, 2008, and the County has two (2) renewal options five (5) years each.

Social Services uses a portion of the leased space for CalWORKS and the Workforce Investment Act Programs. Other county departments and other employment and training agencies under the One-Stop Center Program are occupying the remaining space and the co-location of these partners have contributed to the process of integrating a "One Stop Career Center “ in Santa Maria. The other agencies included in the space are: Arbor Education and Training, contractor of the Santa Barbara County Department of Social Services; Center for Employment and Training; Santa Barbara County Department of Alcohol, Drug and Mental Health Services; Santa Barbara County In-Home Care Network, a division of the Santa Barbara County Department of Social Services; Santa Barbara County Office of Education; State Employment Development Department, and Allan Hancock College.

This location is the County’s comprehensive One Stop Center under the Workforce Investment Act, and has been very successful in terms of serving both job seekers and employers in the north county.

Fiscal and Facilities Impacts:

Budgeted: Yes No

Fiscal Analysis:

Narrative: No fiscal impact associated with this item.

Staffing Impact(s):

Legal Positions:
N/A

FTEs:
N/A

Special Instructions:

Upon Board approval and execution, the Clerk should distribute as follows:

- 1. Original executed Tenant Estoppel - Board’s Official File
- 2. Original executed Subordination & Attornment - Board’s Official File
- 3. Dupl orig executed Tenant Estoppel - Office of Real Estate Services, Attn rc
- 4. Dupl orig executed Subordination & Attornment- Office of Real Estate Services, Attn rc
- 5. Minute Order: - Office of Real Estate Services, Attn rc

Note: Upon receipt of the fully executed duplicate original documents, Office of Real Estate Services will copy for their file and forward the duplicate original documents to Santa Maria Broadway Plaza, L.L.C. (Landlord).

Attachments:

Tenant Estoppel Certificate
Subordination, Non-Disturbance and Attornment Agreement

Authored by: Ronn Carlentine, Office of Real Estate Services

Project: Social Services, One-Stop
Office Lease, Santa Maria
APN: 128-066-005 (Portion)
Folio: WH 3127
Agent: JJH

LEASE AGREEMENT

THIS LEASE AGREEMENT is made by and between the

COUNTY OF SANTA BARBARA, a political
subdivision of the State of California,
hereinafter referred to as "COUNTY,"

and

Santa Maria Associates., a California
Corporation hereinafter referred to as "LESSOR,"

with reference to the following:

WHEREAS, LESSOR is the owner of the property and improvements commonly known as
1328 and 1456 South Broadway, Santa Maria, CA. (hereinafter "Property"), and

WHEREAS, COUNTY and LESSOR desire to enter into a Lease Agreement (hereinafter
"Lease") for the purpose of leasing a portion of the Property to COUNTY.

NOW THEREFORE, in consideration of the premises, and the mutual covenants and
conditions contained herein, the COUNTY and LESSOR agree as follows:

1. ADMINISTRATION AND ENFORCEMENT: The provisions of this Lease shall be
administered and enforced for COUNTY by the Social Services Department.

2. LEASED PREMISES: LESSOR hereby leases to COUNTY and COUNTY hereby takes
from LESSOR, a portion of that certain real property located at 1328 and 1456 South Broadway,
Santa Maria, California, Assessor's Parcel No. 128-066-005, which Property is improved with 48,315
square feet of leaseable retail/ office space. The portion to be leased by COUNTY shall consist of
approximately 34,437 square feet of commercial office space (hereinafter "Premises") and is shown as
the diagonally slashed area on Exhibit "A" attached hereto and incorporated herein.

3. TERM:

A. The "Target Commencement Date" for the term of this Lease shall be October 1, 1998. Notwithstanding, but no earlier than that date, the term of this Lease shall actually commence upon the satisfaction of all of the following conditions for occupancy:

- (1) LESSOR has completed the tenant improvements pursuant to Section 9, TENANT IMPROVEMENTS herein; and
- (2) the City of Santa Maria, in its role as building code inspector, has made its final inspection and signed the final building permit (as approved by COUNTY), and issued a Certificate of Occupancy for the Premises; and
- (3) LESSOR shall have given COUNTY no less than ten (10) working days notice that a Certificate of Occupancy has been issued; and
- (4) LESSOR shall have given COUNTY no less than ten (10) working days notice of the date that the Premises will be available for occupancy; and
- (5) Social Services has accepted the Premises for occupancy, which acceptance shall not be unreasonably withheld.

The actual commencement date shall be called the "Occupancy Date."

B. If the conditions for occupancy have not been satisfied on or before sixty (60) days following the Target Commencement Date, COUNTY may terminate this Lease with no further liability unless COUNTY'S change orders, if any, have been the sole cause of the delay in the availability of the Premises for occupancy, in which case the number of days of delay caused by such change orders shall be added to the sixty (60) days.

C. The term of this Lease shall be for a period of ten (10) years, more or less, commencing on the Occupancy Date and terminating on October 31, 2008, subject to other provisions for extension or termination herein contained.

4. EXTENSION AND RENEWAL OF LEASE: Provided COUNTY is in compliance with all terms and conditions of this Lease, COUNTY is hereby granted two (2) options to renew this Lease from and after the expiration of the original term, which options shall be for a period of five (5) years each. COUNTY may exercise said options to renew by providing written notice to LESSOR at least sixty (60) days prior to the expiration of the then-current term.

5. RENT/N.N.N.:

A. Rent shall commence on the Occupancy Date and shall be payable in advance on or before the first day of each and every calendar month thereafter, except as provided herein. Annually, LESSOR shall execute and return such forms as the COUNTY may require for processing of the request for rent payments so that rent may be paid in a timely manner. The rent due for any period which is for less than one (1) calendar month shall be prorated based upon a thirty (30) day month.

B. Rent for the first year of the term of this Lease shall be NINETY-SEVEN CENTS (\$0.97) per square foot or, THIRTY THREE THOUSAND FOUR HUNDRED THREE DOLLARS AND 89/100, (\$33,403.89) per month. The monthly rent shall be subject to adjustment as set out in Section 6, COST OF LIVING ADJUSTMENT.

C. COUNTY shall pay triple net charges to LESSOR in accordance with Exhibit "B" attached hereto and incorporated herein by reference.

6. **COST OF LIVING ADJUSTMENT:** The rent provided in Section 5B, **RENT**, herein above, shall be subject to an annual Consumer Price Index (CPI) adjustment. On the second anniversary of the Occupancy Date, and on each and every anniversary of that date, the monthly rent hereunder shall be increased from the monthly rent payable during the immediately preceding year of the lease term by the same percentage which the CPI (as hereinafter defined) has increased during the year immediately preceding said next scheduled adjustment, except that such yearly increase shall not be more than six percent (6%).

Solely for the purpose of computing the percentage increase by which the rental payment for the next succeeding year of the lease term shall be adjusted, the month of July immediately preceding the date of that next scheduled increase shall be considered the ending month of the previous year of the lease term.

The CPI, to which reference is made in this section, is the Index issued by the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index, All Urban Consumers, Los Angeles-Anaheim-Riverside area, All Items, Base Index 1982-1984=100, or if the Index shall no longer be published, then any successor or comparable index which is mutually acceptable to the parties to this Lease.

7. **HOLDING OVER:** Should COUNTY occupy the Premises after the expiration date of this Lease with the consent of the LESSOR, expressed or implied, such possession shall be construed to be a tenancy from month-to-month and COUNTY shall pay LESSOR for such tenancy at the monthly rate in effect on the expiration date. This month-to-month tenancy may be terminated upon thirty (30) days written notice to LESSOR or COUNTY given at any time during the month.

8. **COUNTY'S RIGHT TO SUBLEASE:** COUNTY, at its sole discretion, and without further approval shall have the right to sublease space within the Premises to governmental and other agencies which provide services to the public. Said subleases (if any) shall be on the same terms and conditions as this Lease.

9. **NONAPPROPRIATION:** LESSOR understands that monies paid to LESSOR by COUNTY as rent are derived from federal, state, or local sources, including local taxes, and are subject to curtailment, reduction, or cancellation by government agencies or sources beyond the control of COUNTY. COUNTY shall have the right to terminate this Lease in the event that such curtailment, reduction, or cancellation occurs. Termination shall be effective upon the expiration of six (6) calendar months after the mailing of termination notice by COUNTY to LESSOR, and the liability of the parties hereunder for further performance under the terms of the Lease, except as otherwise set forth in this Section and in Section 20, **INDEMNIFICATION**, herein below, shall thereupon cease, but neither party shall be relieved of their duty to perform their obligations up to the date of termination.

In the event that COUNTY terminates this Lease at any time before the expiration of the Initial Term, COUNTY shall reimburse LESSOR, in an amount not to exceed SIX HUNDRED THOUSAND DOLLARS AND 00/100, (\$600,000.00) for that portion of the costs incurred by LESSOR for the construction of Tenant Improvements, as hereafter defined, which equals the product of: (i) a fraction; the numerator of which is the number of months and partial months remaining in the Initial Term as of the effective date of the COUNTY'S early termination, and the denominator of which is one hundred Twenty (120) months multiplied by; (ii) the total cost of all Tenant Improvements as stated above.

The foregoing amount shall be paid by COUNTY to LESSOR plus interest at ten percent (10%) per annum in monthly payments of principal and interest over the number of months and partial months remaining in the Initial Term as of the effective date of the COUNTY'S early termination. In its sole discretion COUNTY may elect to prepay such remaining balance at any time without prepayment penalty or interest expense. A summary of the actual costs of the Tenant Improvements shall be provided to COUNTY by LESSOR within sixty (60) days after COUNTY'S occupancy of the Premises. **IN NO EVENT SHALL COUNTY'S PAYMENT FOR TENANT IMPROVEMENTS COVERED IN THIS SECTION EXCEED SIX HUNDRED THOUSAND DOLLARS (\$600,000).**

In the event that COUNTY terminates this Lease after the Initial Term, the cost of Tenant Improvements shall be fully amortized and COUNTY shall owe nothing to LESSOR for Tenant Improvements.

10. TENANT IMPROVEMENTS:

A. General Provisions. LESSOR shall provide for the design, planning, approval, permitting, and construction of tenant improvements at its sole cost and in accordance with the "Santa Maria One Stop Office Space Tenant Improvement Outline Specifications" and floor plan, (hereinafter "Approved Plans") both of which have previously been delivered to LESSOR, and are attached hereto as Exhibit "C" and incorporated herein by reference.

All tenant improvements must conform to: (1) the Approved Plans; (2) the City of Santa Maria Building Code; and (3) any permit(s) issued by the City of Santa Maria, or other applicable regulatory agency; and (4) all applicable requirements of the Americans with Disabilities Act.

It is hereby acknowledged that the Property suffers from deferred maintenance and that COUNTY shall not be responsible for any costs (N.N.N. or otherwise) associated with restoring, resurfacing and restriping the parking lot, rebuilding or remodeling the building facade, or rebuilding/replacing the mechanical systems to bring the Property into a clean, attractive and usable condition.

LESSOR shall install, or have installed a two (2) inch conduit with pull strings in place, from the cable television and telephone vaults serving the Premises to the communications room within the Premises. In the event the local cable provider will not approve the installation of said cable, this Lease may be terminated at the option of COUNTY.

B. County's Communication System. COUNTY shall install and maintain voice and data communication systems within the Premises to COUNTY'S standards. COUNTY shall pay the cost of all equipment, installation, maintenance, and monthly charges for said internal systems. All voice and data communication equipment and wiring installed by COUNTY shall be the property of COUNTY and may be removed by COUNTY upon termination of this Lease and COUNTY shall restore all walls, floors, and ceilings to their original condition insofar as is reasonably practicable.

C. Occupancy.

1 LESSOR shall give COUNTY written notice of the completion (Completion Notice) of the Tenant Improvements not less than ten (10) working days before the Premises is ready for occupancy. The notice shall state that the applicable improvements for that phase have been completed by the date in the notice, and, where applicable, that the City of Santa Maria has issued an unconditional Certificate of Occupancy or the city building inspector has signed off on final inspection of the Tenant Improvements.

2. Within ten (10) working days of COUNTY's receipt of the Completion Notice, the Director of Social Services, or designee, shall inspect the Tenant Improvements and approve or disapprove such improvements, which approval shall not be unreasonably withheld. In the event that the Director disapproves any Tenant Improvement, he shall give LESSOR written notice of the reason for such disapproval and LESSOR shall promptly correct such defect and the Director shall re-inspect.

3. The occupancy date shall be that date which is ten (10) days after COUNTY'S approval of the Tenant Improvements, and shall be the beginning date for rent in accordance with Section 5, RENT, above.

4 All construction on the Premises including tenant improvements, which are the responsibility of LESSOR, shall be completed by the Target Commencement Date. In the event, however, that the Certificate of Occupancy has not been issued by the City of Santa Maria by the Target Commencement Date, then for each calendar day beyond such date during which the Premises cannot be occupied, LESSOR shall grant one (1) day free rent, which credit shall be applied beginning with the second month's rental payment. If the issuance of the Certificate of Occupancy is delayed due to change orders by COUNTY, the Target Commencement Date shall be adjusted by the number of days of delay. The granting of this credit shall not effect COUNTY'S right to terminate this Lease under Section 3B above.

This credit shall not be required where the City of Santa Maria approval is delayed due to events beyond LESSOR'S reasonable control, including without limitation, acts of God or for delay caused by COUNTY Change Orders, if any.

✓ D. County's Change Orders. If COUNTY requests any change, addition, or alteration (hereafter collectively "Change Orders") to the Approved Plans, LESSOR shall give COUNTY a written statement of all costs of making the requested change, including plan revision, materials, labor and the delay, if any, in occupancy of the Premises which would result from the implementation of the change order. If COUNTY approves such statement in writing, LESSOR shall have revised plans prepared and COUNTY shall, following occupancy, promptly reimburse LESSOR for the cost of such preparation. The Director of Social Services or designee shall, within seven (7) business days after receipt of said revised plans, notify LESSOR in writing whether COUNTY desires to proceed with the work specified by such revised plans and if COUNTY elects to proceed with the Change Order, COUNTY shall, following occupancy of the Premises, promptly pay LESSOR for the remaining costs incidental to the Change Order(s), including delays in occupancy.

If COUNTY does not deliver to LESSOR such written acceptance notice within said seven (7) business days, then LESSOR shall assume COUNTY has abandoned the requested change and proceed accordingly.

The Director of Social Services, or his designee may execute individual change orders for One Thousand Dollars (\$1,000) or less, up to a total of Five Thousand Dollars (\$5,000) for all change orders. Individual change orders over One Thousand Dollars (\$1,000) or cumulatively over Five Thousand Dollars (\$5,000) must be executed by the Board of Supervisors. ✓

E. Ownership of Tenant Improvements. Upon termination of this Lease and/or vacation of the Premises by COUNTY, all tenant improvements and alterations made by LESSOR in accordance with the provisions of this Lease shall remain the property of the LESSOR.

11. FIXTURES: The parties agree that all improvements to, or fixtures on, the Premises, made or added by either party, except trade fixtures added by COUNTY that may be removed as hereinafter provided, shall be and become the property of LESSOR upon their being affixed or added

to the Premises. At the termination of the term hereof, COUNTY may remove such trade fixtures as it shall have affixed or added to the Premises (if any) which may be removed without damage to the Premises.

12. ALTERATIONS: COUNTY agrees that, after occupancy, no alterations, improvements, or any construction within the Premises will be made without the prior written consent of the LESSOR which consent shall not be unreasonably withheld. LESSOR reserves the right to post notices of nonresponsibility on the Premises.

On occasion, COUNTY may wish to have Alterations implemented by LESSOR or under LESSOR'S direction. If requested by COUNTY, LESSOR shall provide a price and time table for all such work requested. Approval by COUNTY of the requested work shall be by the COUNTY Purchasing Agent or, where applicable, the Board of Supervisors. In the event that LESSOR undertakes the Alteration, LESSOR shall, to the extent required by law, comply with all provisions of public contract law, including bidding, and Section 29. PREVAILING WAGE RATES, below. Payment by COUNTY for alterations shall be made within thirty (30) days following COUNTY'S inspection and acceptance of the Alteration.

13. SIGNS: LESSOR shall allow the COUNTY to install reasonable signage on the premises. COUNTY shall pay for the actual cost of the signs it adds to the building.

14. PROPERTY SUPPLIED BY COUNTY: It is understood and agreed that COUNTY may install additional equipment and systems, such as, but not limited to: security, water purification, data, and telephones, as well as using and installing numerous lateral files that are required to be installed with anchors into the building walls in order to comply with safety standards. COUNTY shall pay the cost of all equipment, installation, maintenance, and monthly charges for said internal systems. All such equipment and systems shall remain the property of COUNTY and shall be removed by COUNTY upon termination of this Lease. COUNTY shall restore all walls to their condition at occupancy, reasonable wear and tear excepted.

15. MAINTENANCE AND REPAIR:

A. One Year Warranty. Beginning on the Occupancy Date and running for one (1) year, LESSOR shall warranty the condition of the Premises, including but not limited to all pre-existing conditions and all Tenant Improvements pursuant to this Lease, against all defects in labor and materials and shall promptly, upon notice from COUNTY, remedy any defects. LESSOR shall not, however, be required to remedy damage caused by negligence or misconduct of COUNTY, its agents, officers, employees, or clients. LESSOR'S timetable for making repairs and COUNTY'S remedies for failure shall be in accordance with Subsection B.1. LESSOR'S Responsibilities below.

B. Shared Maintenance and Repair. Upon the expiration of such warranty, LESSOR and COUNTY agree to perform maintenance and repair to the Premises and appurtenances as said responsibilities are set forth in Exhibit "D", attached hereto and incorporated herein by reference.

1. LESSOR'S Responsibilities: Throughout the term of the Lease LESSOR shall maintain all mains, wires (other than wiring installed by COUNTY), and cables to the Premises. LESSOR will contract and pay all charges for maintenance of the heating,

ventilation, and air conditioning equipment (HVAC), (COUNTY shall maintain and repair all wiring and cabling installed by COUNTY.)

LESSOR shall keep the Premises in good order and repair as LESSOR'S responsibilities are set forth in Exhibit "D" attached hereto and incorporated herein by reference. LESSOR shall, upon receipt of notice from COUNTY that maintenance or repair work is required, perform or cause to be performed such maintenance, and repair work in a competent, expeditious, and workman-like manner and in such a way as to cause the least inconvenience and disruption to COUNTY.

LESSOR shall have thirty (30) days after notice from COUNTY to make repairs and/or provide maintenance pursuant to this Section and to Section 15, UTILITIES AND JANITORIAL SERVICES, herein below, except that LESSOR shall make repairs immediately (within one (1) workday) if the nature of the problem presents a hazard or emergency. If LESSOR does not make repairs within the time limitations specified, COUNTY may make such repairs and submit a bill to LESSOR for reimbursement of actual costs. If the bill remains unpaid by LESSOR sixty (60) days following submission, COUNTY may withhold the amount of such costs from future rent payments until COUNTY is fully reimbursed.

2. COUNTY'S Responsibilities: COUNTY, through its Social Services Department shall, at its sole cost and expense, keep and maintain in good condition and repair the interior of the Premises and those items listed as COUNTY'S responsibility in Exhibit "D." Upon termination or expiration of this Lease, COUNTY will return the Premises to LESSOR, with those items in good order, reasonable wear and tear excepted.

C. To the extent that there is conflict between this Section and Exhibit "D", Exhibit "D" shall prevail.

16. UTILITIES AND JANITORIAL SERVICES: COUNTY shall pay all charges for internal utilities, janitorial, and phone services (if any) and trash removal provided to the Premises. LESSOR shall pay for all exterior lighting and grounds/common area maintenance and watering. It is acknowledged that COUNTY shall be responsible for a portion of said costs, and shall reimburse LESSOR for same as stated in Section B-1 Payments by Lessee of Exhibit B attached hereto.

17. AMENDMENTS: This Lease may be amended by written consent of both parties. Said amendments, once fully executed shall, like the Lease, be binding upon heirs, successors, and assigns of all parties hereto.

18. NONDISCRIMINATION: LESSOR in its operations to be conducted pursuant to the provisions of this Lease, will not discriminate or permit discrimination against any person or class of persons by reason of race, color, creed, religion, ancestry, age, sex, or national origin in any manner prohibited by the laws of the United States, the State of California, or any COUNTY ordinance.

Noncompliance with provisions of this article shall constitute a material breach hereof and in addition to any other remedies provided by law, COUNTY shall have the right to terminate this Lease and the interest hereby created without liability therefor.

19. QUIET ENJOYMENT: LESSOR covenants that COUNTY, on performing the provisions of this Lease, shall have peaceable and quiet enjoyment of the Premises. LESSOR further covenants that it will not deliberately interfere or permit others acting subsequently through or under

LESSOR, including other tenants of LESSOR, to interfere with COUNTY'S peaceful possession or use of the Premises.

20. NOTICES: Except where otherwise specifically provided, all notices under this Lease and in connection herewith and all statements shall be addressed and delivered as follows:

COUNTY: County of Santa Barbara
Social Services Department
234 Camino Del Remidio
Santa Barbara, CA 93110-1369
(805) 681-4401

LESSOR: Santa Maria Associates Inc.
P.O. Box 3910
Santa Maria, CA 93403, SAN LUIS OBISPO CA.
(805) 543-0300 93403

or at such other address as the respective party may designate in writing. Any notice may be given by use of the United States mails, postage prepaid Certified mail, or by personal delivery. The date of mailing, or in the event of personal delivery the date of delivery, shall constitute the date of service.

21. INDEMNIFICATION: COUNTY shall defend, indemnify, and save harmless LESSOR, its officers, agents and employees (if any) from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments, or liabilities arising out of this Lease, or occasioned by the performance or attempted performance of the provisions hereof, including but not limited to any act or omission to act on the part of COUNTY or its agents, employees, or independent contractors.

LESSOR shall defend, indemnify, and save harmless COUNTY, its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments, or liabilities arising out of this Lease or occasioned by the performance or attempted performance of the provisions hereof, including but not limited to any act or omission to act on the part of LESSOR, his agents, employees, or independent contractors.

22. LESSOR'S INSURANCE OBLIGATION: LESSOR shall maintain property insurance on the Premises, in an amount not less than ninety percent (90%) of the full replacement value during the term of this Lease, providing protection against any peril included within the classification "all risk."

23. MUTUAL WAIVER OF SUBROGATION RIGHTS: LESSOR and COUNTY hereby waive any rights each may have against the other on account of any loss or damage suffered by LESSOR or COUNTY, as the case may be, to their respective property, the Premises, its contents, or to other portions of the Property arising from any risk generally covered by "all risk" property insurance; and the parties each, on behalf of their respective insurance companies insuring the property of either LESSOR or COUNTY against any such loss, waive any right of subrogation that either may have against the other, as the case may be. The foregoing waiver of subrogation shall be offered only so long as any such policy carried by LESSOR will not be invalidated thereby.

24. **TAXES AND ASSESSMENTS:** LESSOR shall pay and discharge all property taxes and assessments, including special assessments, if any, levied upon the Property and/or Premises during the term of this Lease, or any extension thereof. It is acknowledged that COUNTY shall be responsible for a portion of said costs, and shall reimburse LESSOR for same as stated in Section B-1 Payments by Lessee of Exhibit B attached hereto.

25. **DEFAULT:** Except as otherwise specified herein, should either party at any time be in default hereunder with respect to any material covenant contained herein, the nondefaulting party shall give notice to the defaulting party specifying the particulars of the default and the defaulting party shall promptly commence remedial action to cure the default. Should such default continue uncured for a period of twenty-one (21) calendar days from such notice, then this Lease shall terminate at the option of the nondefaulting party unless the cure of such default shall reasonably take more than twenty-one (21) calendar days in which case the defaulting party shall proceed with all due speed to cure the default and shall have a reasonable time to effectuate its cure.

26. **REMEDIES:** In the event of a default or breach by either party, the nondefaulting party may exercise any right or remedy at law or in equity which such nondefaulting party may have by reason of such default or breach including but not limited to the following:

A. Either party may waive the default or breach in accordance with Section 27, WAIVER, herein below.

B. Either party may maintain this Lease in full force and effect and recover whatever monetary loss(es) may have resulted from such default or breach.

C. Where COUNTY is the nondefaulting party, COUNTY may terminate this Lease and surrender possession.

D. Where LESSOR is the nondefaulting party, LESSOR may terminate or not terminate this Lease. Where LESSOR elects not to terminate this Lease but elects to terminate COUNTY'S right of possession, LESSOR shall have the right and the duty to attempt to relet the Premises for the benefit of COUNTY upon such terms and conditions, including rent, which COUNTY deems reasonable. If LESSOR lawfully removes property of COUNTY, such property may be stored in a public warehouse or elsewhere at the cost of, and for the account of, COUNTY.

27. **WAIVER:** It is further understood and agreed that any waiver, express or implied, of any breach of any term of this Lease shall not be a waiver of any subsequent breach of a like or any other provision of this Lease.

28. **TERMINATION:** This Lease shall terminate and all rights of COUNTY shall cease and COUNTY shall quietly and peacefully deliver to LESSOR, possession and interest in the Premises and upon such delivery, shall be relieved of all future liability:

A. At the expiration of the term as provided in Section 3, TERM;

B. Upon termination of funding as stated in Section 9, NONAPPROPRIATION;

C. Upon discrimination by LESSOR in violation of Section 18, NONDISCRIMINATION;

D. Upon the failure of either party to satisfy, observe, or perform any of the covenants, conditions, or reservations set forth in this Lease and the expiration of the cure period as provided in Section 25, DEFAULT; or

E. Upon the total destruction of the Premises, as provided in Section 32, DESTRUCTION OF THE PREMISES.

29. REPRESENTATION AND WARRANTIES BY LESSOR: LESSOR represents and warrants (which representations and warranties shall survive the execution of this Lease), that:

A. Assignments. No portion of the Premises designated for COUNTY'S occupancy have been assigned or sublet to any other person or entity other than COUNTY; and

B. Violations of Law. To the best of LESSOR'S knowledge there are no substantive violations of any law, ordinance, governmental rule, or regulation relating to the Premises or Property, nor has LESSOR received notice from any federal, state, municipal, or local authority that any such violation exists.

30. PREVAILING WAGE RATES: Rates of Wages, including overtime, holiday and Sunday rates provided for construction work on the Premises as requested by, or completed on behalf of, COUNTY may be subject to California Labor Code, Sections 1770 et. seq., as amended. If so required, LESSOR shall, after the effective date of this Lease, pay no less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. A copy of the prevailing rate of per diem wages is on file at the office of the General Services Department.

31. ABANDONMENT: COUNTY shall not vacate or abandon the Premises at any time during the term of this Lease and if COUNTY shall abandon, vacate, or surrender said Premises, any personal property belonging to COUNTY and left on the Premises more than thirty (30) days after termination of this Lease shall be deemed abandoned, at the option of the LESSOR.

32. DESTRUCTION OF THE PREMISES: If the Premises are totally destroyed by fire or any other cause, this Lease, at the option of COUNTY, shall terminate.

If a loss renders any portion of the Premises unusable, COUNTY may choose to remain or terminate this Lease by written notice to LESSOR. Should COUNTY choose to remain, LESSOR shall promptly repair the Premises within ninety (90) days of the casualty.

If COUNTY chooses to remain in possession of the Premises despite partial destruction, the rent provided in this Lease shall be reduced by the same percentage that usable floor space has been reduced until the destroyed section is rebuilt to its condition prior to the casualty.

33. AGENCY DISCLOSURE: LESSOR acknowledges that the General Services Department, Facilities Services Division of COUNTY, is the agent for the COUNTY exclusively, and is neither the agent for the LESSOR nor a dual agent in this transaction.

COUNTY acknowledges that Pacifica Commercial Realty is the agent for the LESSOR exclusively, and is neither the agent for the COUNTY nor a dual agent in this transaction.

34. OBLIGATIONS TO SECURED LENDER/FORECLOSURE: In case of a foreclosure or other proceeding by which the lender or its successor takes title to the Premises, COUNTY will accept the lender or its successor as the lawful landlord in place of LESSOR. COUNTY shall provide such estoppel or attornment certificates as the lender, or successor, may require, without subordination of this Lease

35. CAPTIONS: The title on headings to the sections of this Lease are not a part of this Lease, and shall have no effect upon the construction or interpretation of any part hereof.

36. SEVERABILITY: If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Lease shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

37. SUCCESSORS IN INTEREST: This Lease shall bind and enure to the benefit of the parties hereto, their respective personal representatives, heirs, successors in interest, and assigns.

38. WASTE AND NUISANCE: COUNTY shall not commit, nor suffer to be committed, any waste upon the Premises, nor permit any nuisance to exist thereon.

39. SUPERVISOR APPROVAL: COUNTY'S and LESSOR'S obligation's hereunder are expressly contingent upon the formal approval of this Lease by the Santa Barbara County Board of Supervisors.

40. EXECUTION IN COUNTERPARTS: This Lease may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

41. FACSIMILE SIGNATURES: In the event that the parties hereto utilize facsimile transmitted documents which include signatures, such documents shall be accepted as if they bore original signatures provided that documents bearing ORIGINAL SIGNATURES are provided within seventy-two (72) hours of transmission of the facsimile, except that funds shall not be released upon a facsimile signature nor shall facsimile signed documents be accepted for recordation by the Clerk Recorder of the County.

42. CERTIFICATION OF SIGNATORY: The signatories of this Lease and each of them represent and warrant that they are authorized to execute this Lease and that no additional signatures are required to bind COUNTY and LESSOR to its terms and conditions or to carry out duties contemplated herein.

43. ENTIRE AGREEMENT: This Lease constitutes the entire agreement between the parties hereto and no obligation other than those set forth herein will be recognized.

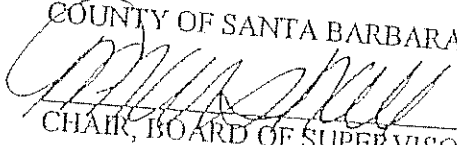
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IN WITNESS WHEREOF, COUNTY and LESSOR have executed this Lease to be effective on the date executed by COUNTY.

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

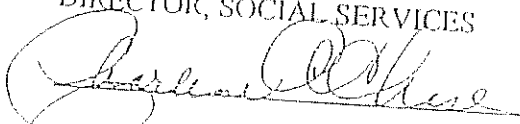
"COUNTY"
COUNTY OF SANTA BARBARA

CHAIR, BOARD OF SUPERVISORS

By: Joanna Bishop
Deputy

Date: 9/8/98

"LESSOR"
Santa Maria Associates Inc.
By: _____
Printed Name and Title

"LESSOR"
Santa Maria Associates
By: A. Madonna
A. Madonna, Owner
Printed Name and Title

APPROVED AS TO FORM:
CHARLENE CHASE
DIRECTOR, SOCIAL SERVICES


APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER
By: Robert W. Geis

APPROVED AS TO FORM:
STEPHEN SHANE STARK
COUNTY COUNSEL
By: Stephen Shane Stark
Deputy

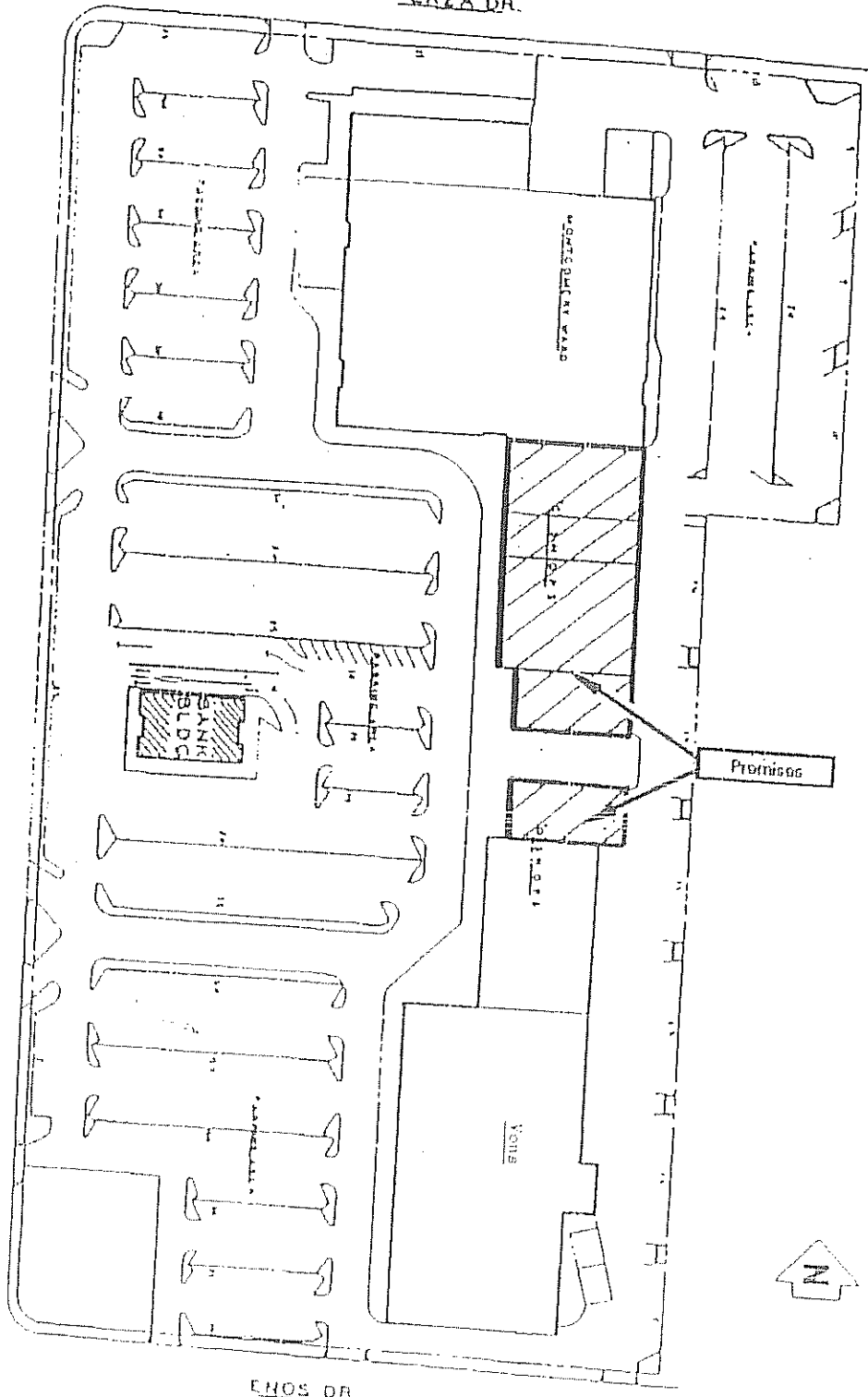
APPROVED:
Mark Mittermiller
Mark Mittermiller
Property Manager

APPROVED AS TO INSURANCE FORM:
Charles A. Mitchell
Charles A. Mitchell
Risk Manager

AUDITOR CONTROLLER
FUND: 055, DEPT: 044, PRG: 3000, ORG UNIT: 7020, LINE ITEM: 7580
GAGROUP*REALPROP*WINWORD*LEASEAC*ASK*STOP III

BROADWAY (US HWY 101)

PLAZA DR.



ENOS DR.



EXHIBIT A

EXHIBIT B
TOTAL OPERATING COSTS (N.N.N.)

B.1 Payments by LESSEE LESSEE shall pay to LESSOR as additional rent on the first day of each full calendar month of the Lease term, LESSEE'S monthly proportionate share of LESSOR'S estimated total operating costs. If the term of this Lease begins on a day other than the first day of the month, LESSEE shall pay in advance its proportionate share of the LESSOR'S operating cost for such partial month. Each month shall be computed on a thirty (30) day basis.

LESSEE'S proportionate share of LESSOR'S total operating costs shall be the ratio that the total number of square feet at the Property which are leased to COUNTY (as stipulated in Section 2, Leased Premise) bears to the total number of leasable square feet at the Property. For purposes of this Lease, "leasable square feet" shall be defined as 48,315 square feet and the Premises shall be defined as 34,437 square feet.

Operating costs for any portion of an accounting period not included within the term of this Lease shall be prorated on the basis of a 360-day year period.

The accounting period for determining LESSOR'S total operating cost shall be the calendar year, except that the first accounting period shall commence on the date the Lease term commences and the last accounting period shall end on the date the Lease term expires or terminates.

Objections to accounting, if any, by LESSEE shall be made no more than thirty (30) business days after statements are mailed or the time to object shall expire and the right to further object shall be deemed waived.

B.2 Estimated Costs - Reconciliation of Payments: LESSOR shall furnish to LESSEE at the commencement of each accounting period an estimate of the operating costs reasonably anticipated by LESSOR for the ensuing accounting period, and LESSEE'S monthly proportionate share thereof. Within sixty (60) days after the end of each quarter of the accounting period, LESSOR shall furnish LESSEE a statement showing the actual operating costs for such period, LESSEE'S proportionate share thereof, and the sum of the estimated payments made by LESSEE during such period. Each such statement shall be certified to be correct by LESSOR or its duly authorized agent.

If LESSEE'S proportionate share of the actual operating costs for the preceding accounting period exceeds the estimated costs billed by LESSOR, then LESSEE shall pay any deficiency to LESSOR within twenty (20) days after LESSEE'S receipt of LESSOR'S statement. Should the estimated payments made by LESSEE during the preceding accounting period exceed LESSEE'S proportionate share of the operating costs, LESSOR shall credit to LESSEE'S account the excess at the time LESSOR furnishes said statement to LESSEE.

B.3 Total Operating Costs Defined:

a. Operating Costs: Operating costs shall mean all sums paid or incurred by LESSOR for the maintenance and operation of the Property in which the Premises are situated, including both costs allocable to the building and to all common areas. The Property is defined as the land and building(s) comprising one or more contiguous parcels of which the leased Premises are a part and which LESSOR operates under a common plan or scheme. Such costs shall include, without limitation, the costs and expenses now or in the future attributable to the following:

1. All costs necessary in LESSOR'S reasonable judgment for the repair, maintenance and operation of the building and land in which the Premises are situated (APN 128-066-05). Said repair and maintenance shall not include any repair or replacement which would be classified as "capital improvements" under the federal tax code;
2. Lot sweeping, resealing, repainting, and restriping of any parking areas;
3. Cleaning, sweeping, trash removal, and other janitorial and gardening services for common areas;
4. Policing and security services or security alarm, if any provided;
5. Maintenance and repair of refuse receptacles;
6. Maintaining plantings, landscaping and watering systems;
7. Directional signs and other markers;
8. The cost of electricity, natural gas, water and sewer and/or the cost of providing any water well to the Premises, telephone and other utilities furnished to the common areas;
9. The premiums on insurance maintained by LESSOR per Section 19, Lessor's Insurance Obligation, with respect to the Property or Premises;
10. Real property taxes levied or assessed against the Property, buildings thereon, or any portion thereof as hereinafter defined;
11. Maintenance of heating, ventilation and air conditioning systems installed by LESSOR;
12. Fees paid for management of the Property and/or Premises; and
13. Wages for any on-site manager LESSOR employs for the benefit of the Property in which the Premises are located.

b. Common Areas: The term "common areas" shall include the parking lots, hallways, rest rooms, etc., of the Property.

c. Real Property Taxes: The term "real property taxes" as used in this Exhibit shall mean and include all taxes, assessments, and other governmental charges, general and special, ordinary and extraordinary, of any kind and nature whatsoever, levied or assessed against the land, building, and other improvements on the land of which the leased Premises are a part, including but not limited to, assessment for public improvements or benefits which shall be levied or assessed against the building or any part thereof, but excluding franchise, estate, inheritance, capital levy, income, or excess profits tax imposed upon LESSOR. If at any time during the term of this Lease under the laws of California or political subdivision thereof, a tax or excise on rents or other tax, however described, is levied or assessed against LESSOR on account of the rent expressly reserved hereunder, in addition to or as a substitute in whole or in part for taxes assessed or imposed by California or such political subdivision on land and/or buildings, such tax or excise shall be included within the definition of "real property taxes", but only to the extent of the amount thereof which is lawfully assessed or imposed as a direct result of LESSOR'S ownership of this Lease or rental occurring under this Lease. With respect to any assessments which may be levied against or upon the building, land or improvements which the leased Premises are a part, and which under the laws then enforced may be evidenced by improvement or other bonds, or may be paid in installments, LESSEE shall be required to pay its share of any installment applicable to a period within the Lease term. Installments applicable to periods partly within the Lease term and partly outside the Lease term shall be prorated so that LESSEE is charged only for its share of the portion of the installment applicable to the period within the Lease term. LESSEE shall remain liable after the expiration of the Lease term for its share of installments of assessments billed after the expiration of the Lease term but applicable to periods within the Lease sum.

B.4 Limitations on Additional Rent: It is agreed that LESSEE'S proportionate share of building operating costs shall be limited, such that all expenses, excluding those imposed by any governmental entity or utility company, shall not exceed \$.25 per square foot per month (including LESSOR'S administrative and overhead expense) during the first two (2) years of the Lease. For each subsequent year of the Lease, this operating cost limit shall be adjusted to reflect any change in the consumer price index, in the same manner that rent is adjusted in accordance with Paragraph 6 of the Lease.

B.5 Triple Net Lease: This is intended as a triple net Lease so that the rentals received by LESSOR will not be diminished by expenses for utilities, insurance, maintenance, taxes as hereinabove defined or security services if any provided, except as provided herein. Such expenses are included within the definition of total operating costs as hereinabove stated except as provided herein.

SANTA MARIA ONE STOP OFFICE SPACE TENANT IMPROVEMENT SPECIFICATIONS

SECTION 08710
FINISH HARDWARE

PART 1 - GENERAL

1.01 SUMMARY:

- A. Section Includes: Finish hardware except as otherwise specified or specifically omitted herein.
- B. Related Sections:
 - 1. Section 06200 - Finish Carpentry: Installation of finish hardware.
 - 2. Section 07900 - Joint Sealers.
 - 3. Section 08111 - Standard Steel Doors.
 - 4. Section 08112 - Standard Steel Frames.
 - 5. Section 08210 - Wood Doors.
 - 6. Section 08385 - Safety Glass Doors.
- C. Specific Omissions: Hardware for the following is specified or indicated elsewhere.
 - 1. Windows.
 - 2. Cabinets of all kinds, including open wall shelving and locks.
 - 3. Signs, Except as noted.
 - 4. Toilet accessories of all kinds including grab bars.
 - 5. Installation.
 - 6. Rough hardware.

1.02

SUBSTITUTIONS & SUBMITTALS:

- A. Requests for substitutions must be made in writing 10 days prior to bid date to allow architect to issue an addendum. If proposing a substitute, submit that product data attached to one showing specified item and indicate savings to be made. Provide sample if requested. No other substitutions will be allowed.
 - 1. Items listed with no substitute manufacturers have been requested by owner to match existing.
- B. SUBMITTALS: Submit six copies of schedule within 2 weeks after project has been awarded. Organize schedule into "Hardware Series" with an index of doors and heading, indicating complete description of every item required for each door. Submittals include the following information:

EXHIBIT C

1. Type, style, function, size, quantity and finish of each hardware item. Use BHMgwFinish codes as per ANSI A156.18.
2. Name, part number and manufacturer of each item.
3. Fastenings and other pertinent information.
4. Location of hardware set cross referenced to indications on drawings both on floor plans and in door schedule.
5. Explanation of all abbreviations, symbols, and codes contained in schedule.
6. Mounting locations for hardware.
7. Door and frame sizes and materials.
8. Include a list of all manufacturers used and their nearest representative with address and phone number.
9. Submit manufacturer's technical data and installation instructions for the electronic hardware.
10. Where exit devices are required on fire-rated doors, provide supplementary marking on door UL label indicating "Fire Door to be Equipped with Fire Exit Hardware", and provide UL label on exit device indicating "Fire Exit Hardware".

1.03

QUALITY ASSURANCE:

A. Qualifications:

1. Obtain each kind of hardware (latch and lock sets, exit devices, hinges, and closers) from only one manufacture, although several may be indicated as offering products complying with requirements.
2. Hardware supplier shall be a direct factory contract supplier who has in his employment a certified hardware consultant (AHC) who is available at all reasonable times during the course of the work for project hardware consultation to the Owner, Architect, and Contractor.
3. Hardware supplier shall have a maintenance and service facility located within 100 miles of the project site. This facility will stock parts for products supplied and be capable of repairing and replacing any hardware item found defective within the warranty period specified in section 1.06.

EXHIBIT C

- B. Schedule Designations: Except as otherwise indicated, the use of one manufacturer's numeric designation system in schedules does not imply that another manufacturer's products will not be acceptable, unless they are not equal in design, size, weight, finish, function, or other quality of significance. See 1.02 A for substitutions.
- C. Exit Doors: Openable at all times from the inside without the use of a key or any special knowledge or effort.
- D. Fire-Rated Openings: Provide hardware for fire-rated openings in compliance with NFPA Standard No. 80. This requirement takes precedence over other requirements for such hardware. Provide only such hardware which has been tested and listed by UL for the type and size of each door and door frame labels. Latching hardware, door closers, ball bearing hinges, and seals are required whether listed in the Hardware Schedule or not.
 - 1. Where exit devices are required on fire-rated doors, provide supplementary marking on door UL label indicating "Fire Door to be Equipped with Fire Exit Hardware", and provide UL label on exit device indicating "Fire Exit Hardware".

1.04

DELIVERY, STORAGE, AND HANDLING:

- A. Acceptance at Site: Individually package each unit of finish hardware complete with proper fastening and appurtenances, clearly marked on the outside to indicate contents and specific locations in the Work.
- B. Deliver packaged hardware items at the times and to the locations (shop or field) for installation, as directed by the Contractor.
- C. Unused Hardware: New hardware not installed, and existing hardware not indicated to be reinstalled, shall be returned by the Contractor to the Owner.

1.05

PROJECT CONDITIONS:

- A. Coordination: Coordinate hardware with other work. Furnish hardware items of proper design for use on doors and frames of the thickness, profile, swing, security and similar requirements indicated, as necessary for proper installation and function, regardless of omissions or conflicts in the information on the Contract Documents.

B. Upon request, check the Shop Drawings for doors and entrances to confirm that adequate provisions will be made for the proper installation of hardware.

1.06

WARRANTY:

- A. Provide guarantee from hardware supplier as follows:
1. Closers: Ten years, except electronic closers, two years.
 2. Exit Devices: Three years.
 3. Hinges: Life of the Building.
 4. All other Hardware: Two years.

PART 2 - PRODUCTS

2.01

MANUFACTURERS:

A. Approval of manufacturers other than those listed shall be in accordance with paragraph 1.02 A.

Note that even though an Acceptable Substitute may be listed, it must provide all the function and features of the specified product otherwise it will not be approved.

Item:	Manufacturer:	Acceptable Sub:
Hinges	(STA) Stanley	McKinney, Hager
Locks	(SCH) Schlage	None
Exit Devices	(VON) Von Duprin	None
Closers	(LCN) LCN	None
Silencers	(GLY) Glynn Johnson	Ives, Rockwood
Kickplates	(SIG) Sig.Brass	Ives, Rockwood
Stops & Holders	(GLY) Glynn Johnson	Ives, Sig.Brass
Overhead Stops	(GLY) Glynn Johnson	None
Thresholds	(ULT) Ultra	Pemko, NGP
Seals & Bottoms	(ULT) Ultra	Pemko, NGP

B. Furnish items of hardware required to complete the work in accordance with these specifications and the manufacturers instructions. Items of hardware not specified shall be provided even though inadvertently omitted from this specification. Items shall be of equal quality and type.

C. Where the exact types of hardware specified are not adaptable to the finished shape or size of the members requiring hardware, furnish suitable types having as nearly as practicable the same operation and quality as the type specified, subject to Architect's approval.

D. Carefully inspect Project for the extent of the finish hardware required to complete the work. Where there is a conflict between these Specifications and the existing hardware, furnish finish hardware to specification.

2.02

MATERIALS:

A. Locksets: Locksets and latchsets shall be as specified. Strikes shall be 16 gage curved steel, bronze or brass with 1" deep box construction, and have lips of sufficient length to clear trim and protect clothing.

1. Locks shall have minimum 3/4-inch throw. Deadbolts shall have 1-inch minimum throw.
2. Comply with requirements of local security ordinances.
3. Provide approved fusible links at levers for labeled doors.

4. Lock Series and Design: Schlage L9000 17A

B. Hinges: Outswinging exterior doors shall have nonremovable (NRP) pin. Hinge open widths shall be minimum, but of sufficient size to permit door to swing 180°. Furnish hinges with steel pins and concealed bearings.

1. Furnish 3 hinges per leaf to 7 foot, 6 inch height. Add one for each additional 30 inches in height or fraction thereof.
2. Exterior hinges with Prime Finish shall have Stanley K Base.
3. Provide extra heavy weight hinges on doors over 3 foot, 6 inch.

C. Exit Devices: Furnish devices at wood doors with sex bolts unless doors are furnished with blocking for exit devices. Lever handle trim design shall match lockets. Touch Bar type devices shall have quiet return, deadlocking latchbolt, stainless steel touchpads - or vinyl covered pads and be non handed. Device push bar must release with 32 lbs. maximum pressure when 250 lbs. of pull is applied against the pull side of door.

D. Surface Door Closers: Full rack and pinion type with removable non-ferrous case and cast iron body. Provide thru-bolts at wood doors unless doors are furnished with blocking for closers. Place closers inside building, stairs, and rooms. Closers shall be non-handed, non sized, and adjustable

EXHIBIT C

1. Provide size 1 through 6 unless otherwise specified at exterior and interior fire rated doors.
2. Provide size 1 through 4 at interior non-rated doors.
3. Flush transom offset brackets shall be used where parallel arm closers are listed for doors with fixed panels over.
4. Drop brackets are required at narrow head rails.
5. Exterior doors to have 8.5 lbs. maximum pressure to open, labeled fire doors to have 15 lbs maximum pressure to open.
6. Furnish 1/4in., 1/2in., 5/8in., 3/4in., or 7/8in. fifth screw spacers as required for parallel-arm brackets.
7. Exterior door closers shall be capable of withstanding 100 hours of ASTM B117 salt spray test.
8. Exterior doors shall not require seasonal adjustments in temperatures from 120°F to -30°F.

E. Kick Plates: Provide with four beveled edges, .050 inches minimum thickness, 10-inches high by width less 2-inches. Furnish with machine or wood screws of bronze or stainless steel to match other hardware.

F. Door stops: Provide stops to protect all walls, casework or other hardware.

1. Unless otherwise noted in the Hardware Sets, furnish wall type with appropriate fasteners. Where wall type cannot be used, furnish floor type. If neither can be used, furnish overhead type.
2. Unless otherwise noted in the Hardware Sets, furnish floor type with appropriate fasteners. Where floor type cannot be used, furnish wall type. If neither can be used, furnish overhead type.

G. Seals: Seals shall be finished to match adjacent frame color. Solid neoprene to be MIL Spec. R6855-CL III, Grade 40. Sponge neoprene to be MIL Spec. R6130, Type II, Group-C. Balance of seals and sweeps etc. shall be Santoprene. U.L. label shall be applied to seals on all rated doors.

H. Thresholds: Furnish as specified and per details. Units at exterior openings to be set in full bed of butyl-rubber or polyisobutylene mastic sealant complying with the requirements in Division 7 Section "Joint Sealers"

- I. Screws: Exposed screws shall be Phillips head. Flat head sleeve anchors (FHSL) may be slotted drive. Sex nuts to be full length to prevent door compression.
- J. Silencers: Furnish silencers for interior hollow metal frames, 3 for single doors, 4 for pairs of doors. Omit where sound or light seals occurs, or for fire-resistive-rated door assemblies.
- K. Overhead Stops: Furnish units with non-plastic mechanisms and finished metal end caps.

2.03

FINISH:

- A. Generally to be BHMA 613 Oil Rubbed Bronze.
- B. The interior finish of areas such as toilets and utility rooms shall be BHMA 626 Dull Chromium while exterior sides of doors to these areas shall remain BHMA 613.
- C. Door closers shall be factory powder coated to match other hardware, unless otherwise noted.
- D. Aluminum items shall be finished to match predominant adjacent material. Seals to coordinate with frame color.

2.04

KEYING REQUIREMENTS:

- A. Contractor shall be responsible for initiating and conducting meeting(s) with the Owner to determine the Key System requirements. For estimate use masterkey charge. Keying system shall be approved by Owner's representative in writing. Furnish construction key system in accordance with lock manufacturers standard. Where interchangeable core systems used, use temporary cores for construction keying. Stamp keys "Do Not Duplicate".
 - 1. Key system shall be Schlage, 1456 keyway.
- B. For protection of the owner all locks and cylinders shall be keyed at the factory of the lock manufacturer where permanent records are maintained. Locks and cylinders shall be of the same manufacturer.
- C. Permanent keys shall be delivered only to Owner's representative.
- D. Keying Schedule. Submit three copies of separate detailed schedule indicating clearly how the Owner's final instructions on keying of locks has been fulfilled

- E. Temporary cylinders shall be furnished and installed as required for security and testing for proper operation of locking hardware.

PART 3 - EXECUTION

3.01 HARDWARE LOCATIONS:

- A. Locate hardware per SDI-100 and applicable building, fire, life-safety, accessibility and security codes.
 - 1. Where new hardware is to be installed near existing doors/hardware which are scheduled to remain, match locations of the existing hardware.
 - 2. Notify Architect of any code conflicts before ordering material.

3.02 INSTALLATION:

- A. Install each hardware item per manufacturer's instructions and recommendations. Do not install surface mounted items until finishes have been completed on the substrate. Set units level, plumb and true to line and location. Adjust and reinforce the attachment substrate as necessary for proper installation and operation.
- B. Installation shall conform to local governing agency security ordinance.
- C. Thresholds: Set thresholds at exterior doors in a full bed of butyl-rubber or polyisobutylene mastic sealant complying with requirements specified in Division 7 Section "Joint Sealers", and fasten with 1/4-20 stainless steel machine screws and lead expansion anchors.
- D. Drill pilot holes for all fasteners in wood doors and/or frames.
- E. When hardware is to be attached to an existing metal surface and insufficient reinforcement exists, use Revluts or similar anchoring device for all screws.

3.03 ADJUSTING:

- A. Adjust and check each operating item of hardware and each door to ensure proper operation or function of every

unit. Replace units which cannot be adjusted to operate freely and smoothly.

1. Hardware damaged by improper adjustment methods shall be repaired or replaced to Owner's satisfaction.
- B. Inspection: Hardware supplier shall inspect hardware furnished within 10 days of contractors request and include with his guarantee a statement that this has been accomplished. Inspector or Contractor will sign off the hardware as being complete and correctly installed and adjusted. Further corrections of defective material shall be the responsibility of his representative.
- C. Follow up inspection: Installer shall provide a letter of agreement to the Owner that approximately 6 months after substantial completion, the installer shall visit the jobsite with the representatives of the manufacturers of the locking devices and door closers to accomplish the following:
 1. Re-adjust all hardware.
 2. Evaluate maintenance procedures and recommend changes or additions, and instruct owner's personnel.
 3. Identify items that have deteriorated or failed.
 4. Submit a written report identifying problems and likely future problems.

3.04

SCHEDULE OF FINISH HARDWARE:

- A. The Door Schedule on the Drawings indicates which Hardware Set is used with each door

CARPET

Carpet shall be Collins and Aikman Infinity carpet tiles with 4" rubber base on walls

EXHIBIT C

MAINTENANCE AND REPAIR RESPONSIBILITY

Folio No. WH 3156

ITEM	NOT APPLICABLE	COUNTY	LESSOR
1. Building Exterior			
Building foundation, walls and roof			X
Flooring (wood & concrete)			X
Painted Surfaces			X
Door and Window Trim			X
Doors, Hardware			X
Windows: Hardware and Screens			X
Locks (a) Key pad locks installed by COUNTY		X(a)	X
Roof			X
Rain Gutters			X
Flashing			X
Down Spouts			X
Lighting			
Bulbs			
Fixtures			X
Transformers			X
Fluorescent Lights			X
Ballast			X
Handrails			X
Signs (County Designation)			X
Timers		X	
Gutters			X
Decking/ Walkways			X
Exterior Patios			X
Water Softener, Filter and Conditioner			X
Stairs			X
Roof Drains			X
Gates			X
Gas/Water Lines			X
Elect. Lines			X

ITEM	NOT APPLICABLE	COUNTY	LESSOR
Sewer Lines			
Phone/ Computer Lines			X
			X
2. Building Interior			
Walls			
Painted Surfaces		X	
Door Hardware		X	
Locks		X	
General Cleaning		X	
Floor,		X	
Carpet		Clean	Repair*
Window Coverings		Clean	Replace
Lighting		Maint.	Install
Bulbs			
Fixtures		X	
Transformers/Ballast		X	
Fluorescent Lights		X	
Handrails (ADA)		X	
Signs			X
Timers		Interior	Street Nos.
Drinking Fountains			X
Toilet/Urinals (Replacement)(b*)			X
Toilet/Urinals (Maintenance)			X
Sink & Faucets (Replacement)(b*)		X	
Sink & Faucets (Maintenance)			X
Gas Lines		X	
Water Lines			X
Sewer Lines/Drains			X
Phone Lines & Jacks			X
Computer Lines & Jacks		Interior	Exterior
T.V. Cable & Jacks		X	
Phones	X		
		X	

b* COUNTY to replace or improve and b. COUNTY to maintain

ITEM	NOT APPLICABLE	COUNTY	LESSOR
Showers	X		
Towel Racks	X		
Garbage Disposal	X		
Refrigerator/ Microwave	X		
Stove	X		
Counter Tops, replacement			X -
Cabinets, replacement			X -
Dish Washer	X		
Trash Compactor	X		
3. Grounds			
Drinking Fountains			
Mail Boxes			X
Fences			X
Trash Bins			X
Trash Enclosures			X
Bike Racks			X
Signs (County)			X
Litter Pick-up		X	
Lighting			X
Parking Lot and Driveways			
Walkways			X
Timers (external)			X
Timers (internal)			X
Signs			X
Cleaning, Sidewalks, Walkways, Parking Lot			X
4. Landscaping			
Trees			X
Shrub			X
Flowers			X
Lawn installation and maintenance			X

ITEM	NOT APPLICABLE	COUNTY	LESSOR
Sprinkler, Repair and Replace			
Headers			X
Rodent/Pest Control			X
Seeding			X
Fertilizer			X
Plant Trimming			X
Plant Removal			X
Plant Replacement			X
Tree Care & Trimming			X
5. Mechanical Systems			
Electrical Panels, Interior			X
Electrical Breakers/Fuses, Interior			X
Electrical Receptacles/Switches, Interior		X	
Electrical Central Switches			X
Elevator	X		
Heating			X
Air Conditioning			X
Water Heater			X
6. Roadways/Parking Lots Repair & Maintenance			
Striping			X
Handicap Signage			X
Asphalt Surface, Curbing			X
Cement Surface, Curbing			X
Wheel Stops			X
Drainage			X
Signs			X
7. Fire Equipment			
Sprinklers (if any)			X
Hoses (if any)			X
Extinguisher (interior)			X
Alarm System			X
Smoke Detector			X

ITEM NO.	ITEM	NOT APPLICABLE	COUNTY	LESSOR
8.	Other Items			
	Paper supplies, dispensers waste containers, soap in restrooms and kitchens		X	
	Interior janitorial products and services		X	
	Interior Floor Waxing, Sweeping		X	
	Window Washing		Interior	Exterior
	Exterior - sweeping entry, sidewalks and walkways			X
	Janitorial service for public areas or common use areas			X
	Broken window glass or door glass (Except caused by COUNTY or its clients.)			X
	Refuse, Rubbish and Garbage Disposal			X
	Cleaning Storage Rooms, Utility Rooms		Interior	Exterior
	Exterminating			X
	Carpet, Linoleum & Tile Replacement			X
	Lawn mower, repair and maintenance			X

Project: Social Services, One-Stop
Office Lease, Santa Maria
APN: 128-066-005 (Portion)
Folio: WH 3127
Agent: JHH

FIRST AMENDMENT TO THE LEASE AGREEMENT

THIS FIRST AMENDMENT TO THE LEASE AGREEMENT is made by and between the

COUNTY OF SANTA BARBARA, a political
subdivision of the State of California,
hereinafter referred to as "COUNTY,"
and

Santa Maria Associates, a California
Corporation hereinafter referred to as "LESSOR,"

with reference to the following:

WHEREAS, COUNTY and LESSOR entered into a Lease Agreement on September 8, 1998, for COUNTY'S use of a portion of the office building known as 1328 and 1456 South Broadway, Santa Maria, CA. (hereinafter "Lease") for use by COUNTY; and

WHEREAS, the parties desire to amend said Lease by altering the street address of the premises rented, adding additional square footage to the lease space occupied by COUNTY and amending the rental amount due to LESSOR accordingly.

NOW THEREFORE, in consideration of the premises, and the mutual covenants and conditions contained herein, the COUNTY and LESSOR agree as follows.

1. Section 2, LEASED PREMISES, is deleted in its entirety and shall be replaced to read as follows:

2. LEASED PREMISES: LESSOR hereby leases to COUNTY and COUNTY hereby takes from LESSOR, a portion of that certain real property located at 1410 and 1444 South Broadway, Santa Maria, California, Assessor's Parcel No. 128-066-005, which Property is improved with 48,315 square feet of leaseable retail/ office space. The portion to be leased by COUNTY shall consist of approximately 43,068 square feet of commercial office space

(hereinafter "Premises") and is shown on "EXHIBIT A".

2. Section 5, RENT/ N.N.N., is deleted in its entirety and shall be replaced to read as follows:

5. RENT/ N.N.N.:

A. Rent shall commence on the Occupancy Date and shall be payable in advance on or before the first day of each and every calendar month thereafter, except as provided herein. Annually, LESSOR shall execute and return such forms as the COUNTY may require for processing of the request for rent payments so that rent may be paid in a timely manner. The rent due for any period which is for less than one (1) calendar month shall be prorated based upon a thirty (30) day month.

B. Base rent for the first year of the term of this Lease shall be NINETY-SEVEN CENTS (\$0.97) per square foot or, FORTY ONE THOUSAND SEVEN HUNDRED SEVENTY-FIVE DOLLARS AND 96/100, per month. The monthly rent shall be subject to adjustment as set out in Section 6, COST OF LIVING ADJUSTMENT.

C. In addition to the base rent above, COUNTY shall pay triple net charges to LESSOR in accordance with Exhibit "B" attached hereto and incorporated herein by reference.

3. It is expressly understood that in all other respects, the terms and conditions of the original Lease Agreement shall remain in full force and effect.

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FIRST AMENDMENT TO SOCIAL SERVICES LEASE @ SOUTH BROADWAY

IN WITNESS WHEREOF, COUNTY and LESSOR have executed this First Amendment to Lease Agreement to be effective on the date executed by COUNTY.

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

By: Joanna Bishop
Deputy

"LESSOR"
Santa Maria Associates

By: A. Madonna
A. MADONNA, Partner
Printed Name and Title

APPROVED AS TO FORM:
DIRECTOR, SOCIAL SERVICES

M. Patricia For Chow

APPROVED AS TO FORM:
STEPHEN SHANE STARK
COUNTY COUNSEL

By: James Gallegos
Deputy

APPROVED

Ronn Carlentine
Ronn Carlentine, SRWA
Real Property Supervisor

"COUNTY"
COUNTY OF SANTA BARBARA
Laura J. Rose
CHAIR, BOARD OF SUPERVISORS

Date: 3/7/2000

"LESSOR"
Santa Maria Associates

By: Phyllis Madonna
PHYLLIS MADONNA, Partner
Printed Name and Title

APPROVED AS TO ACCOUNTING FORM
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

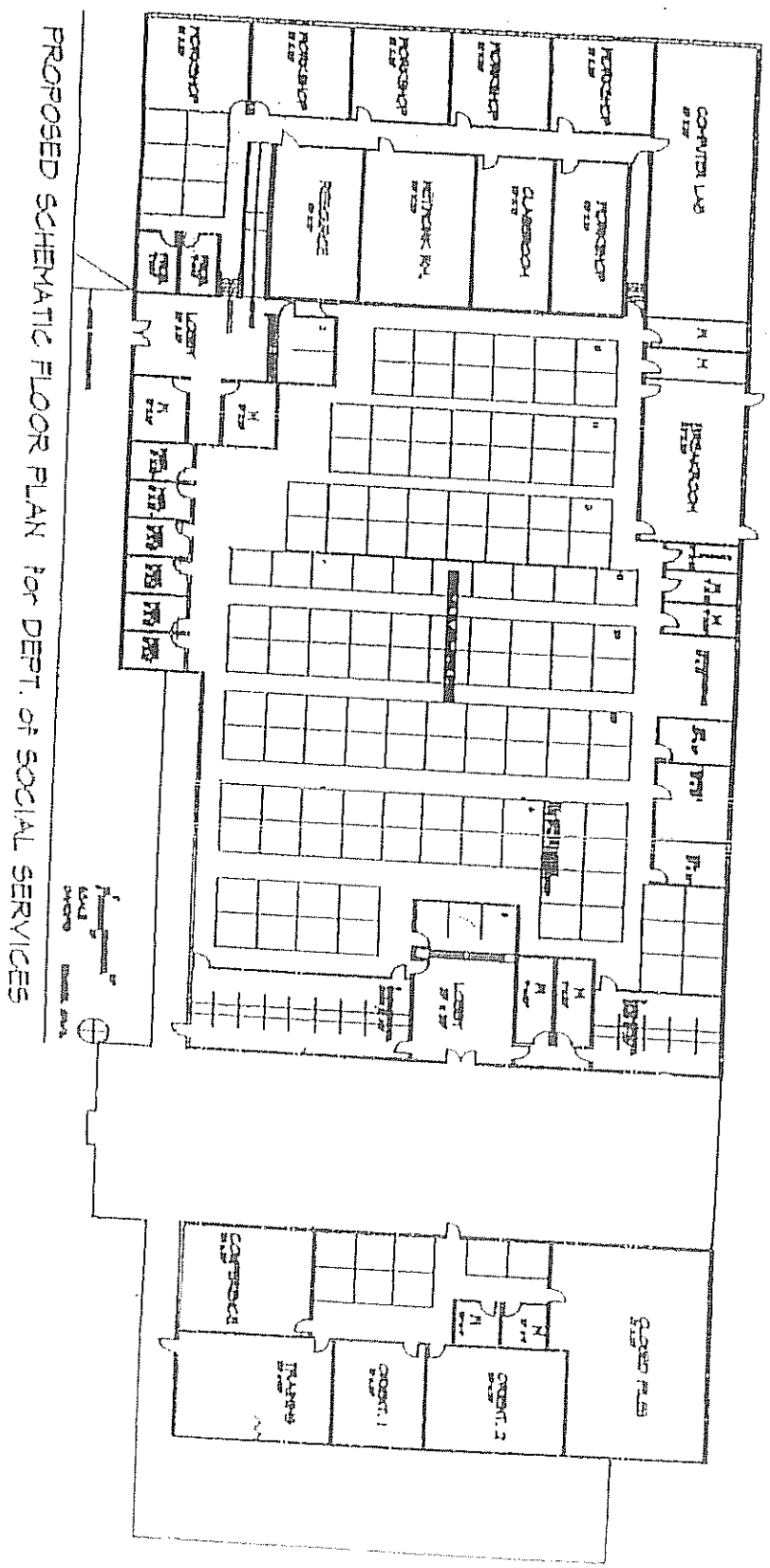
By: Robert W. Geis

APPROVED AS TO INSURANCE FORM

Ms. Andrea Smutz
Ms. Andrea Smutz
Risk Manager

PROPOSED WORKFORCE RESOURCE SITE SANTA MARIA, CALIFORNIA

SHEET 1



PROPOSED SCHEMATIC FLOOR PLAN FOR DEPT. OF SOCIAL SERVICES

Project: Social Services, One-Stop
Second Amendment
APN: 128-066-005 (Portion)
Folio: WH 3127
Agent: DG

SECOND AMENDMENT TO THE LEASE AGREEMENT

THIS SECOND AMENDMENT TO THE LEASE AGREEMENT is made by and between the

and

COUNTY OF SANTA BARBARA, a political subdivision of the State of California, hereinafter referred to as "COUNTY,"

SANTA MARIA ASSOCIATES, a California Corporation, hereinafter referred to as "LESSOR,"

with reference to the following:

WHEREAS, COUNTY and LESSOR entered into a Lease Agreement, (hereinafter "Lease"), on September 8, 1998, for COUNTY'S use of a portion of the office building known as 1328 and 1456 South Broadway, Santa Maria, CA; and

WHEREAS, the parties executed a First Amendment to the Lease on March 7, 2000, amending the Leased Premises and Rent Sections of the Lease; and

WHEREAS, the parties wish to stipulate an "Occupancy Date", change the Lease from triple net to gross, and to comment on the applicability of the Lease's Nonappropriation clause in light of a Settlement Agreement between the parties which was approved by the COUNTY on February 13, 2001.

NOW THEREFORE, in consideration of the premises, and the mutual covenants and conditions contained herein, the COUNTY and LESSOR agree as follows:

1. Section 5: RENT/N.N.N.: is hereby amended by adding the following provision and by deleting Exhibit B of the Lease:

“5. RENT: Effective January 1, 2001 rent shall be \$1.22/sq.ft. which shall include both the Base Rent and the triple net charges set forth in the Lease Agreement and the First Amendment. This amount or any adjustment thereof shall be subject to the annual COLA increase set forth in Section 6: COST OF LIVING below.”

2. Section 6 COST OF LIVING: is amended to specify the Occupancy Date by adding the following: “For purposes of calculating the Cost of Living Adjustment and for all other purposes incidental to the Lease Agreement, the parties hereto stipulate that the Occupancy Date shall be March 10, 2000.”

3. The following section appears in the Lease and was not altered by the First Amendment:

“Section 9. NONAPPROPRIATION: LESSOR understands that monies paid to LESSOR by COUNTY as rent are derived from federal, state, or local sources, including local taxes, and are subject to curtailment, reduction, or cancellation by government agencies or sources beyond the control of COUNTY. COUNTY shall have the right to terminate this Lease in the event that such curtailment, reduction, or cancellation occurs. Termination shall be effective upon the expiration of six (6) calendar months after the mailing of termination notice by COUNTY to LESSOR, and the liability of the parties hereunder for further performance under the terms of the Lease, except as otherwise set forth in this Section and in Section 20, INDEMNIFICATION, herein below, shall thereupon cease, but neither party shall be relieved of their duty to perform their obligations up to the date of termination.

In the event that COUNTY terminates this Lease at any time before the expiration of the Initial Term, COUNTY shall reimburse LESSOR, in an amount not to exceed SIX HUNDRED THOUSAND DOLLARS AND 00/100, (\$600,000.00) for that portion of the costs incurred by LESSOR for the construction of Tenant Improvements, as hereafter defined, which equals the product of: (i) a fraction; the numerator of which is the number of months and partial months remaining in the Initial Term as of the effective date of the COUNTY'S early termination, and the denominator of which is one hundred Twenty (120) months multiplied by; (ii) the total cost of all Tenant Improvements as stated above.

The foregoing amount shall be paid by COUNTY to LESSOR plus interest at ten percent (10%) per annum in monthly payments of principal and interest over the number of months and partial months remaining in the Initial Term as of the effective date of the COUNTY'S early termination. In its sole discretion COUNTY may elect to prepay such remaining balance at any time without prepayment penalty or interest expense. A summary of the actual costs of the Tenant Improvements shall be provided to COUNTY by LESSOR within sixty (60) days after COUNTY'S occupancy of the Premises. IN NO EVENT SHALL

COUNTY'S PAYMENT FOR TENANT IMPROVEMENTS COVERED IN THIS SECTION EXCEED SIX HUNDRED THOUSAND DOLLARS (\$600,000).

In the event that COUNTY terminates this Lease after the Initial Term, the cost of Tenant Improvements shall be fully amortized and COUNTY shall owe nothing to LESSOR for Tenant Improvements."

The parties are in disagreement as to the effect, if any, of the Settlement Agreement, discussed below, upon this Nonappropriation Clause. COUNTY contends that LESSOR has agreed to release the COUNTY's obligations under the Nonappropriation Clause; LESSOR contends that it has not agreed to release COUNTY from said obligations. However, they have agreed to defer determination of this effect until the COUNTY gives termination notice, if ever, prior to the expiration of the Initial Term.

4. Section 10. TENANT IMPROVEMENTS: shall be amended to reflect that the costs of all Tenant Improvements made is settled by a "Settlement Agreement and Release of All Claims" of February 2001 subject to whatever determination may later be made concerning the effect of the Settlement Agreement on the Nonappropriation Clause, as discussed above. The Settlement Agreement and Release is not intended to alter LESSOR'S obligations under the Lease Agreement to maintain and repair the leased premises nor to implement any capital improvements, which LESSOR is obligated to provide under the Lease Agreement and has not previously provided. If any Tenant Improvements have not been implemented by LESSOR or are unsatisfactory as reasonably determined by the Director of Social Services, LESSOR'S shall promptly provide such improvement(s) and promptly repair or replace any unsatisfactory improvements all in accordance with the Lease Agreement unless such obligation(s) are waived by the Director of Social Services in writing in each instance.

4. Section 20: NOTICES shall be amended to reflect the new address for LESSOR as follows:

LESSOR: Santa Maria Associates Inc.
P.O. Box 3910
San Luis Obispo, CA 93403
(805)543-0300

5. It is expressly understood that in all other respects, the terms and conditions of the original Lease Agreement and the First Amendment to the Lease Agreement shall remain in full force and effect.

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Project: Social Services, One-Stop
Second Amendment
APN: 128-066-005 (Portion)
Folio: WH 3127
Agent: DG

IN WITNESS WHEREOF, COUNTY and LESSOR have executed this Second Amendment to Lease Agreement to be effective on the date executed by COUNTY.

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

By: Caro S. Ferry
Deputy

"LESSOR"
Santa Maria Associates

By: A. Madonna
A. MADONNA, OWNER
Printed Name and Title

APPROVED:
CHARLENE CHASE, DIRECTOR
SOCIAL SERVICES DEPARTMENT

By: Charlene Chase

APPROVED AS TO FORM:
STEPHEN SHANE STARK
COUNTY COUNSEL

By: Patricia J. Conroy
Deputy

APPROVED:
Ronn Carletine
Ronn Carletine, SRWA
Real Property Supervisor

"COUNTY"
COUNTY OF SANTA BARBARA
Jon S. Gray
CHAIR, BOARD OF SUPERVISORS

Date: 7/10/01

"LESSOR"
Santa Maria Associates

By: Phyllis Madonna
PHYLLIS MADONNA, OWNER
Printed Name and Title

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By: Robert W. Geis

APPROVED:
P. Andrea Smutz
P. Andrea Smutz
Risk Manager

FORM OF TENANT ESTOPPEL CERTIFICATE

To: UBS Real Estate Investments Inc., its successors and/or assigns (“**Lender**”)
Re: Property Address: 1318-1490 Santa Maria Broadway Plaza Shopping Center, Santa Maria, California (“**Property**”)
Lease Date: 10-1-98 – Between Santa Maria Broadway Plaza, L.L.C. (“**Landlord**”) and County of Santa Barbara (“**Tenant**”)
Square Footage Leased: 43,068
Suite No./Floor: 1328 and 1458 B South Broadway, Santa Maria, California (“**Premises**”)

Tenant understands that Lender is contemplating making a loan (the “**Loan**”) to Landlord. The Undersigned, as the tenant under the above-mentioned lease (the “**Lease**”), hereby certifies to Lender the following:

The lease attached hereto as Exhibit A is a true, correct, and complete copy of the Lease, is in full force and effect and has not been modified, supplemented, or amended in any way, and the Lease represents the entire agreement between the parties as to the Premises or any portion thereof.

The amount of fixed rent is \$61,615.01; the percentage rent is not applicable; and the monthly common area or other charges are \$-0- (Gross Lease). The base year for operating expenses and real estate taxes, as defined in the Lease, is not applicable. No such rent has been or will be paid more than one (1) month in advance of its due date, except _____.

Tenant’s security deposit is \$-0-. Tenant has paid rent for the Premises up to and including September 30, 2006. Tenant hereby waives collection of the deposit against Lender or any purchaser at a foreclosure sale, unless Lender or such purchaser actually received the deposit from Landlord.

Check one:

- Tenant is currently in occupancy.
- Tenant intends to take occupancy on _____.

The Lease will not be altered or amended, without Lender’s prior written consent.

The commencement date of the Lease was October 1, 1998, the Lease terminates on October 31, 2008 and we have the following renewal/extension option(s): two (2) five year options.

All work to be performed for us under the Lease has been performed as required and has been accepted by us; and any payments, free rent, or other payments, credits, allowances or abatements required to be given by Landlord to us have already been received by us, except: _____.

The Lease is free from default by Landlord and we have not offset, defense, deduction or claim against Landlord.

Tenant has received no notice of any prior sale, assignment, pledge, or other transfer of the Lease or of the rents received therein, except : _____.

Tenant has not assigned the Lease or sublet all or any portion of the Premises. Tenant does not hold the Premises under assignment or sublease, nor does anyone except us and our employees occupy the Premises, except: As allowed in the Lease, and intended by Tenant from the onset, Tenant holds subleases with other employment and training agencies under the One-Stop Center concept. Subleases are held specifically with Allan Hancock Community College; Arbor Education and Training, contractor of the Santa Barbara County Department of Social Services; Center for Employment Training; Santa Barbara County Department of Alcohol, Drug and Mental Health Services; Santa Barbara County In-Home Care Network, a division of the Santa Barbara County Department of Social Services; Santa Barbara County Office of Education; State Employment Development Department.

Tenant has no right or option to purchase all or any part of the Premises or the building of which the Premises is a part or to occupy any additional space at the Property.

No actions, whether voluntary or otherwise, are pending against the Tenant under the bankruptcy laws of the United States or any state and there are no claims or actions pending against the Tenant which if decided against Tenant would materially and adversely affect Tenant's financial condition or Tenant's ability to perform its obligations under the Lease.

Tenant agrees to pay all rents and other amounts due under the Lease directly to Lender upon receipt of written demand by Lender, and Landlord hereby consents thereto. The assignment of the Lease to Lender, or collection of rents by Lender pursuant to such assignment, shall not obligate Lender to perform Landlord's obligations under the Lease.

If the undersigned is not the party named in the Lease, describe below the chain of assignments into the undersigned and attach a copy of each assignment document hereto: _____.

The statements contained herein may be relied upon by Lender, its successors and assigns and by third parties who are interested in the matters covered by this Tenant Estoppel Certificate.

In the event that Lender succeeds to the interest of Landlord or any successor to Landlord, then Tenant hereby agrees to attorney to and accept Lender and to recognize Lender as its landlord under the Lease for the then remaining balance of the term thereof.

The undersigned is duly authorized to execute this certificate.

Dated this _____ day of _____, 2006.

TENANT: COUNTY OF SANTA BARBARA

By: see attach C-2A
Name:
Title:

Project: Santa Maria One Stop
Folio No. WH 3127
APN: 128-066-055
Agent: RC

COUNTY OF SANTA BARBARA

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

By: _____
Chair, Board of Supervisors

By: _____
Deputy

Date: _____

APPROVED AS TO FORM:
STEPHEN SHANE STARK
COUNTY COUNSEL

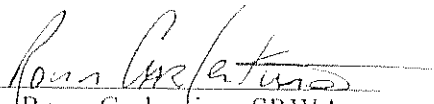
APPROVED AS TO FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By:  _____

By:  _____

APPROVED:

APPROVED:

By:  _____
Ronn Carlentine, SRWA
Real Property Manager


By:  _____
Ray Aromatorio
Risk Program Administrator

EXHIBIT A
COPY OF LEASE AND AMENDMENTS

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "Agreement") made as of the [4th] day of October, 2006, by and among UBS REAL ESTATE INVESTMENTS INC. ("Lender"), County of Santa Barbara ("Tenant") and Santa Maria Broadway Plaza, LLC ("Landlord").

WITNESSETH:

WHEREAS, Lender has agreed to make a loan (the "Loan") to Landlord;

WHEREAS, the Loan will be evidenced by a [mortgage/deed of trust note] (the "Note") of even date herewith made by Landlord to order of Lender and will be secured by, among other things, a [mortgage/deed of trust], assignment of leases and rents and security agreement (the "[Mortgage/Deed of Trust]") of even date herewith made by Landlord to Lender covering the land (the "Land") described on Exhibit A attached hereto and all improvements (the "Improvements") now or hereafter located on the land (the Land and the Improvements hereinafter collectively referred to as the "Property"); and

WHEREAS, by a lease dated as of September 8, 1998 (which lease, as the same may have been amended and supplemented, is hereinafter called the "Lease"), Landlord leased to Tenant approximately 43,068 square feet of space located in the Improvements (the "Premises"); and

WHEREAS, the parties hereto desire to make the Lease subject and subordinate to the Mortgage/Deed of Trust.

NOW, THEREFORE, the parties hereto, in consideration of the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby agree as follows:

1. The Lease, as the same may hereafter be modified, amended or extended, and all of Tenant's right, title and interest in and to the Premises and all rights, remedies and options of Tenant under the Lease, are and shall be unconditionally subject and subordinate to the Mortgage/Deed of Trust and the lien thereof, to all the terms, conditions and provisions of the Mortgage/Deed of Trust, to each and every advance made or hereafter made under the Mortgage/Deed of Trust, and to all renewals, modifications, consolidations, replacements, substitutions and extensions of the Mortgage/Deed of Trust; provided, however, and Lender agrees, that so long as (A) no event has occurred and no condition exists, which would entitle Landlord to terminate the Lease or would cause, without further action of Landlord, the termination of the Lease or would entitle Landlord to dispossess Tenant from the Premises, (B) the term of the Lease has commenced and Tenant is in possession of the Premises, (C) the Lease shall be in full force and effect and shall not have been otherwise modified or supplemented in any way without Lender's prior written consent, (D) Tenant attorns to Lender, which attornment is hereby acknowledged by Tenant as effective and self-operative, without the execution of any other instruments, and (E) neither Lender nor its successors or assigns shall be liable under any warranty of construction contained in the Lease or any implied warranty of

construction; then, and in such event Tenant's leasehold estate under the Lease shall not be terminated, Tenant's possession of the Premises shall not be disturbed by Lender and Lender will accept the attornment of Tenant.

2. Notwithstanding anything to the contrary contained in the Lease, Tenant hereby agrees that in the event of any act, omission or default by Landlord or Landlord's agents, employees, contractors, licensees or invitees which would give Tenant the right, either immediately or after the lapse of a period of time, to terminate the Lease, or to claim a partial or total eviction, or to reduce the rent payable thereunder or credit or offset any amounts against future rents payable thereunder, Tenant will not exercise any such right (i) until it has given written notice of such act, omission or default to Lender by delivering notice of such act, omission or default, in accordance with this Agreement, and (ii) until a period of not less than sixty (60) days for remedying such act, omission or default shall have elapsed following the giving of such notice. Notwithstanding the foregoing, in the case of any default of Landlord which cannot be cured within such sixty (60) day period, if Lender shall within such period proceed promptly to cure the same (including such time as may be necessary to acquire possession of the Premises if possession is necessary to effect such cure) and thereafter shall prosecute the curing of such default with diligence, then the time within which such default may be cured by Lender shall be extended for such period as may be necessary to complete the curing of the same with diligence. Lender's cure of Landlord's default shall not be considered an assumption by Lender of Landlord's other obligations under the Lease. Unless Lender otherwise agrees in writing, Landlord shall remain solely liable to perform Landlord's obligations under the Lease (but only to the extent required by and subject to the limitation included with the Lease), both before and after Lender's exercise of any right or remedy under this Agreement. If Lender or any successor or assign becomes obligated to perform as Landlord under the Lease, such person or entity will be released from those obligations when such person or entity assigns, sells or otherwise transfers its interest in the Premises or the Property.

3. If Lender succeeds to the interest of Landlord or any successor to Landlord (such event, whether a foreclosure, deed-in-lieu of foreclosure or other acquisition, being referred to herein as a "Foreclosure"), in no event shall Lender (i) have any liability for any act or omission of any prior landlord under the Lease which occurs prior to the date Lender succeeds to the rights of Landlord under the Lease, nor any liability for claims, offsets or defenses which Tenant might have had against Landlord, (ii) be obligated to complete or permit the construction of any improvements under the Lease, except for any obligation arising after Foreclosure and only for any construction or expenditure that a real estate mortgage investment conduit is allowed to make under Section 856(e)(4)(B) of the Internal Revenue Code of 1986, as amended and/or supplemented from time to time, and regulations and rulings thereunder, (iii) bound by any rents paid more than one month in advance to any prior owner, (iv) liable for any security deposit not paid over to Lender by Landlord, or (v) bound by any modification, amendment, extension or cancellation of the Lease not consented to in writing by Lender; and further provided, that nothing herein shall negate the right of Lender after a Foreclosure to exercise the rights and remedies, including termination of the Lease, of Landlord under the Lease upon the occurrence of an event of default by Tenant under the Lease in accordance therewith. As to any event of default by Tenant under the Lease existing at the time of Foreclosure, such Foreclosure shall not operate to waive or abate any action initiated by Landlord under the Lease to terminate the same on account of such event of default. In no event shall Lender have any

personal liability as successor to Landlord and Tenant shall look only to the estate and property of Lender in the Land and the Improvements for the satisfaction of Tenant's remedies for the collection of a judgment (or other judicial process) requiring the payment of money in the event of any default by Lender as Landlord under the Lease, and no other property or assets of Lender shall be subject to levy, execution or other enforcement procedure for the satisfaction of Tenant's remedies under or with respect to the Lease. Tenant agrees that Lender, as holder of the Mortgage/Deed of Trust, and as Landlord under the Lease if it succeeds to that position, shall in no event have any liability for the performance or completion of any initial work or installations or for any loan or contribution or rent concession towards initial work, which are required to be made by Landlord (A) under the Lease or under any related Lease documents or (B) for any space which may hereafter become part of said Premises, and any such requirement shall be inoperative in the event Lender succeeds to the position of Landlord prior to the completion or performance thereof. Tenant further agrees with Lender that Tenant will not voluntarily subordinate the Lease to any lien or encumbrance without Lender's prior written consent.

4. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute and be construed as one and the same instrument. This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of California.

5. All notices to be given under this Agreement shall be in writing and shall be deemed served upon receipt by the addressee if served personally or, if mailed, upon the first to occur of receipt or the refusal of delivery as shown on a return receipt, after deposit in the United States Postal Service certified mail, postage prepaid, addressed to the address of Landlord, Tenant or Lender appearing below, or, if sent by telegram, when delivered by or refused upon attempted delivery by the telegraph office. Such addresses may be changed by notice given in the same manner. If any party consists of multiple individuals or entities, then notice to any one of same shall be deemed notice to such party.

Lender's Address:

UBS Real Estate Investments Inc.
1251 Avenue of the Americas
New York, New York 10020
Attention: Robert W. Pettinato
Telecopier: (212) 882-3099

With a Copy To:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, New York 10022
Attention: Bruce S. Cybul, Esq.
Telecopier: (212) 593-5955

Tenant's Address:

County of Santa Barbara
Social Services Department
234 Camino Del Remidio
Santa Barbara, CA 93110

Landlord's Address:

Santa Maria Broadway Plaza, LLC
284 Higuera St.
San Luis Obispo, CA 93401

Attention: Clint Pearce

6. This Agreement shall apply to, bind and inure to the benefit of the parties hereto and their respective successors and assigns. As used herein "Lender" shall include any subsequent holder of the Mortgage/Deed of Trust.

7. Tenant acknowledges that Landlord has assigned to Lender its right, title and interest in the Lease and to the rents, issues and profits of the Property and the Property pursuant to the Mortgage/Deed of Trust, and that Landlord has been granted the license to collect such rents provided no Event of Default has occurred under, and as defined in, the Mortgage/Deed of Trust. Tenant agrees to pay all rents and other amounts due under the Lease directly to Lender upon receipt of written demand by Lender, and Landlord hereby consents thereto. The assignment of the Lease to Lender, or the collection of rents by Lender pursuant to such assignment, shall not obligate Lender to perform Landlord's obligations under the Lease.

[No Further Text On This Page]

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

UBS REAL ESTATE INVESTMENTS INC., a Delaware corporation

By: _____
Name:
Title:

By: _____
Name:
Title:

SANTA MARIA BROADWAY PLAZA, LLC

Clint Pearce
By: Clint Pearce
Its: Vice President

COUNTY OF SANTA BARBARA

By: _____ see attach D-6
Its: _____

[insert state specific acknowledgments]

Project: Santa Maria One Stop
Folio No. WH 3127
APN: 128-066-055
Agent: RC

COUNTY OF SANTA BARBARA

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

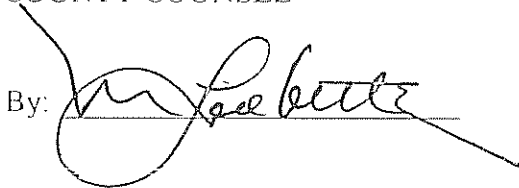
By: _____
Chair, Board of Supervisors

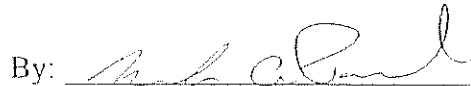
By: _____
Deputy

Date: _____

APPROVED AS TO FORM:
STEPHEN SHANE STARK
COUNTY COUNSEL

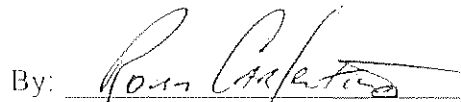
APPROVED AS TO FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By:  _____

By:  _____

APPROVED:

APPROVED:

By:  _____
Ronn Carlentine, SRWA
Real Property Manager

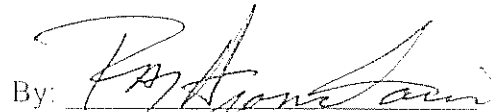
By:  _____
Ray Aromatorio
Risk Program Administrator

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT A

Lots 1, 4, 5 and 6 of Tract 5010 according to the map thereof recorded April 17, 1967 in book 75, pages 53 and 54 of Maps of said County.

Lots 1 and 2 of Lot Line Adjustment, Tract 5681 as recorded June 30, 1993 as document number 93-050458 of Official Records of said County.