
FIRST ASSIGNMENT AGREEMENT

by and between the

COUNTY OF SANTA BARBARA

and

SANTA BARBARA BANK & TRUST, N.A.

Dated as of March 1, 2012

FIRST ASSIGNMENT AGREEMENT

THIS FIRST ASSIGNMENT AGREEMENT (the "First Assignment Agreement"), is dated as of March 1, 2012, by and between the COUNTY OF SANTA BARBARA, a political subdivision organized and existing under the laws of the State of California (hereinafter called the "County"), and SANTA BARBARA BANK & TRUST, N.A. (hereinafter called the "Lender"), a national banking association organized and existing under and by virtue of the laws of the United States of America;

WITNESSETH:

In the joint and mutual exercise of their powers, in consideration of the mutual covenants herein contained, and for other valuable consideration, the parties hereto recite and agree as follows:

Section 1. Recitals.

(a) Montecito Retirement Association (the "Borrower") and the County have entered into the First Installment Sale Agreement, dated as of March 1, 2012 (the "First Installment Sale Agreement"), whereby the Borrower has agreed to sell to the County, and the County has agreed to purchase from the Borrower certain real property more particularly described in Exhibit A attached hereto and by this reference incorporated herein, and those certain facilities thereon (the "Facilities"), and the County has agreed to make certain purchase payments therefor (the "Purchase Payments") and to provide certain security therefor, all in the manner and on the terms set forth in the First Installment Sale Agreement.

(b) The County and the Borrower have entered into a Second Installment Sale Agreement, dated as of March 1, 2012 (the "Second Installment Sale Agreement"), whereby the County has agreed to sell the Facilities to the Borrower, and the Borrower has agreed to make certain installment payments therefor (the "Installment Payments") and to provide certain security therefor, all in the manner and on the terms set forth in the Second Installment Sale Agreement.

(c) As security for its obligation to make Purchase Payments, the County has agreed to execute and deliver to the Lender an assignment of its interests in, under and to the Second Installment Sale Agreement.

(d) The purpose of this First Assignment Agreement is to accomplish the assignment referenced in paragraph (c) above.

(e) Each of the parties has authority to enter into this First Assignment Agreement and has taken all actions necessary to authorize its officers to enter into it.

(f) The terms capitalized in this First Assignment Agreement but not defined herein shall have the meanings given to them in the Second Installment Sale Agreement.

Section 2. Assignment. The County, for good and valuable consideration, does hereby irrevocably assign and transfer to the Lender all its rights, and interest in, under and to the Second Installment Sale Agreement, including, without limitation:

(a) its rights to receive Installment Payments from the Borrower under the Second Installment Sale Agreement; and

(b) the right to exercise such rights and remedies as are conferred on the County by the Second Installment Sale Agreement as may be necessary to enforce payment of such Installment Payments from the Borrower when due or otherwise to protect its interests in the event of a default by the Borrower.

Notwithstanding any other provision of this Section 2, the County does not hereby assign rights to indemnification accruing to the County under the Second Installment Sale Agreement.

The Lender shall not be obligated by reason of this First Assignment Agreement or otherwise to perform or be responsible for the performance of any of the obligations of the County under the Second Installment Sale Agreement.

Section 3. Acceptance. The Lender hereby accepts such assignment. The Lender acknowledges that rights, title and interest of the Borrower under the First Installment Sale Agreement and the County under the Second Installment Sale Agreement are not assignable or transferable unless such assignment or transfer is in whole, is to an assignee or transferee that is a Qualified Institutional Buyer and the assignee or transferee agrees to execute an investor letter substantially the same as the letter delivered by the Lender on the Closing Date. "Qualified Institutional Buyer" means (i) a "qualified institutional buyer" within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended, or (ii) one of the following: (A) a bank as defined in section 3(a)(2) of the Securities Act of 1933, as amended (the "33 Act), a bank holding company or a wholly owned subsidiary of a bank holding company, or a savings and loan association or other institution as defined in Section 3(a)(5)(a) of the 33 Act acting in its individual capacity; or (B) an insurance company as defined in section 2(13) of the Securities Exchange Act of 1934.

Section 4. Counterparts. This First Assignment Agreement may be executed in counterparts, each of which shall constitute an original but all of which shall constitute one document.

IN WITNESS WHEREOF, the parties have executed this First Assignment Agreement by their officers thereunto duly authorized as of the day and year first written above.

COUNTY OF SANTA BARBARA, as
Assignor

By _____
Treasurer-Tax Collector

APPROVED AS TO FORM
DENNIS A. MARSHALL
COUNTY COUNSEL

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

By _____
Deputy County Counsel

By _____
Deputy

APPROVED AS TO FORM
RAY AROMATORIO
RISK MANAGER

By _____
Risk Manager

SANTA BARBARA BANK & TRUST, N.A.,
as Assignee

By _____
Name _____
Title _____

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

All that certain real property situated in Santa Barbara County, State of California, described as follows:

PARCEL ONE:

THAT PORTION OF THE OUTSIDE PUEBLO LANDS OF THE CITY OF SANTA BARBARA, IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, SHOWN AS "29.151 AC." ON MAP FILED IN BOOK 86, PAGES 8 AND 9 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT ALL WATER AND WATER RIGHTS, TOGETHER WITH ALL WATER AND WATER RIGHTS IN AND OF THE HOT SPRINGS BRANCH OF THE MONTECITO CREEK AND THE SPRINGS AND THE SOURCE THEREOF, AS GRANTED TO KENNETH H. HUNTER, ET AL., BY QUITCLAIM DEEDS RECORDED FEBRUARY 6, 1966 AS INSTRUMENT NO. 4934, 4935 AND 4936 IN BOOK 2221, PAGES 120, 121 AND 124, RESPECTIVELY, OF OFFICIAL RECORDS.

PARCEL TWO:

THAT PORTION OF THE OUTSIDE PUEBLO LANDS OF THE CITY OF SANTA BARBARA IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, SHOWN AS "19.208 AC." ON MAP FILED IN BOOK 86, PAGES 8 AND 9 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION THEREOF CONVEYED TO THE COUNTY OF SANTA BARBARA, BY DEED RECORDED MARCH 15, 1973 AS INSTRUMENT NO. 9901 IN BOOK 2452, PAGE 304 OF OFFICIAL RECORDS.

PARCEL THREE:

AN EASEMENT FOR ROAD AND PUBLIC UTILITY PURPOSES OVER ALL OF THAT CERTAIN PROPERTY DESCRIBED AS PARCEL ONE IN THE DEED TO ERIC P. RAMSTRUM, ET UX., RECORDED OCTOBER 16, 1962 AS INSTRUMENT NO. 43340 IN BOOK 1957, PAGE 72 OF OFFICIAL RECORDS.

PARCEL FOUR:

AN EASEMENT FOR SEWER PURPOSES OVER A STRIP OF LAND TWENTY FEET IN WIDTH LYING NORTHEASTERLY OF AND ADJACENT TO THE SOUTHWESTERLY LINE OF PARCEL TWO AS CONTAINED IN DEED RECORDED OCTOBER 16, 1962 AS INSTRUMENT NO. 43340 IN BOOK 1957, PAGE 72 OF OFFICIAL RECORDS, THE NORTHERLY LINE OF SAID EASEMENT TO BE SHORTENED TO CONNECT WITH THE EASTERLY LINE AND THE NORTHWESTERLY LINE OF SAID PARCEL.

APN 9-640-01