

# **Attachment E**

## **Purchase and Sale Agreement**

Project: COUNTY Office Building, 315 W. Haley Street, Santa Barbara  
APN: 037-192-001  
File No.: 004018

## **REAL PROPERTY PURCHASE AGREEMENT**

This **REAL PROPERTY PURCHASE AGREEMENT** (“Agreement”) is made and entered into by and between PATHPOINT, a California Non-profit Public Benefit Corporation (“OWNER”) and the COUNTY OF SANTA BARBARA, a political subdivision of the State of California (“COUNTY”), with reference to the following:

### **RECITALS**

**WHEREAS**, OWNER is the fee simple OWNER of that certain real property in the City of Santa Barbara, County of Santa Barbara, State of California commonly known as 315 West Haley Street, Santa Barbara, California, more particularly described as Assessor’s Parcel Number 037-192-001, and all improvements on said real property, hereinafter collectively referred to as the “Property” as shown on Exhibit “A”, attached hereto and incorporated herein by reference; and

**WHEREAS**, COUNTY has identified the Property as potentially suitable for the office and storage space needs of COUNTY’s Behavior Wellness (BWell) staff who will expand their presence in the building and relocate Homeless Services and Justice Alliance programs from their leased location at 2034 De La Vina Street, in Santa Barbara; and

**WHEREAS**, BWell has applied for and been conditionally approved for funding of this project from Advocates for Human Potential (AHP); and

**WHEREAS**, this Agreement shall be contingent upon receiving final funding approval from AHP; and

**WHEREAS**, COUNTY desires to purchase the Property, consisting of one 10,024 appraised square foot office building and improvements on a rectangular-shaped, 10,890 appraised square foot lot, with C-R (Commercial Restricted) zoning, in fee title for the present and future needs of the COUNTY; and

**WHEREAS**, COUNTY and OWNER concur that the value of the Property has been mutually agreed upon between COUNTY and OWNER; and

### **OPERATIVE PROVISIONS**

**NOW THEREFORE**, in consideration of the covenants and conditions contained herein, the parties agree that OWNER shall remise, release, and convey to COUNTY and COUNTY shall accept all right, title, and interest in and to the Property, excluding any tenant-owned personal property, subject to the following terms and conditions:

**1. PURCHASE PRICE AND TERMS OF SALE:** COUNTY agrees to purchase from OWNER, and OWNER agrees to sell to COUNTY, fee ownership of the Property, subject to the following:

a. The total purchase price for the Property shall be FOUR MILLION THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$4,375,000.00) (“Purchase Price”).

b. Upon OWNER providing COUNTY with the executed and dated original of this Agreement, and final execution by COUNTY, COUNTY shall open escrow in accordance with Section 2 hereof, and shall deliver a copy of this Purchase Agreement to the escrow holder.

c. As set forth in Section 3 below, COUNTY shall deposit with the escrow holder the sum of ONE HUNDRED THIRTY-ONE THOUSAND TWO HUNDRED FIFTY DOLLARS (\$131,250.00) (the “Deposit”).

d. Escrow shall be open for a period of up to sixty (60) days following the execution of this Agreement by the County (such date of execution by the County, the “Execution Date”) in accordance with Section 2.a. of this Agreement.

e. As a condition for the benefit of County, this Agreement is subject to fulfillment and execution by the counterparties thereto, of the following exhibits, or in substantially the same form as the following exhibits, on the Close of Escrow: Regulatory Agreement and Declaration of Restrictions referenced as Exhibit B, a Performance Deed of Trust, Security Agreement and Fixture Filing referenced as Exhibit C, and Sponsor Compliance Certifications found on Exhibit D.

f. As a condition for the benefit of County and notwithstanding any other provision in this Agreement, this Agreement is contingent upon final funding approval by Advocates for Human Potential (AHP) on or before the Close of Escrow. Should AHP deny final finding approval on or before the Close of Escrow, this Agreement shall immediately terminate, and the Deposit shall be returned to COUNTY.

g. COUNTY shall have forty-five (45) days following the Execution Date (the “Due Diligence Period”) to approve, or disapprove, in its sole judgment, the condition of the Property and complete its investigation of the Property. During the Due Diligence Period, COUNTY may, in its sole and absolute discretion, elect to terminate this Agreement based upon any of the following:

- i. Its review and investigation of the condition of the Property, which may include, but shall not be limited to, a Phase One, a CEQA analysis, or any other studies related to the condition of the Property or title to the Property, subject to the terms and conditions of this Agreement;
- ii. A determination from the City of Santa Barbara pursuant to the requirements of California Government Code Section 65402;
- iii. COUNTY’s inability to complete any of the studies or actions set forth above;

- iv. COUNTY's review of all existing written leases, if any, and estoppel certificates in accordance with Section 1.l. herein below.
- v. This Agreement is not ratified by the Board of Supervisors of the COUNTY. as required by Section 1.m below.
- vi. In the event that the Board of Supervisors of the COUNTY is unable to approve or disapprove within the initial forty-five (45) day Due Diligence Period, the Due Diligence Period may be extended for an additional period of time mutually agreed upon by both parties in writing; provided, however, neither party shall be obligated to agree to such extension, and any such extension shall be in such party's sole and absolute discretion. If no extension is agreed upon, either party may terminate this Agreement, and the Earnest Money Deposit, if any, shall be promptly refunded to the COUNTY.

h. If COUNTY elects to terminate this Agreement pursuant to Section 1.g. above, COUNTY shall communicate such termination in writing to OWNER, such that it is received by OWNER no later than 5:00 p.m. on the last day of the Due Diligence Period, or on the following business day if such day falls on a weekend or holiday. COUNTY shall thereafter have no further liability with respect to this transaction, except for the obligations which by their terms survive such termination, and shall be entitled to the return of the Deposit together with any interest accrued thereon less any fees that are due and are COUNTY's responsibility as described herein.

i. If COUNTY fails to deliver notice of its election to terminate on or before 5:00 p.m. on the last day of the Due Diligence Period, then COUNTY shall be deemed to have waived this condition and the Deposit shall be non-refundable to County except as otherwise provided under Section 3. If the last day of the Due Diligence Period falls on a weekend or holiday, the Due Diligence Period shall be extended until 5:00 p.m. of the following business day.

j. Within one (1) business day prior to the Close of Escrow, OWNER shall deliver to the escrow holder a grant deed, after said grant deed is duly executed and acknowledged by OWNER ("Grant Deed"), in substantially the same form shown on Exhibit "E", attached hereto and incorporated herein by reference.

k. At least one (1) business day prior to the close of escrow, COUNTY shall deposit with the escrow holder a certificate of acceptance for the Property, after said certificate has been executed by COUNTY ("Certificate of Acceptance"), in substantially the same form shown on Exhibit "F", attached hereto and incorporated herein by reference, and the balance of the Purchase Price, plus costs of pro-rations, fees, and expenses pursuant to this Purchase Agreement.

l. The Property is subject to that certain Standard Industrial/Commercial Single-Tenant Lease-Gross dated October 27, 2014 (as amended, the "Tenant Lease") by and between Owner as lessor and Pamela M. Hanover as lessee ("Tenant"). A copy of the Tenant Lease has been provided to County. On or before the date which is three (3) business days prior to the expiration of the Due Diligence Period (the "Estoppel Delivery Date"), Owner shall have delivered

to County an estoppel certificate either in the form attached hereto as Exhibit “G” or in the form Tenant is required to deliver under the Tenant Lease (in either case, the “Estoppel Certificate”) from the Tenant. On the Estoppel Delivery Date, if Owner has not delivered the required Estoppel Certificate, County may elect to terminate the Agreement and Escrow prior to the expiration of the Due Diligence Period. The failure of the Tenant to deliver the Tenant Estoppel Certificate shall not be a default by Owner hereunder. As of the Close of Escrow, County and Owner shall execute and deliver to each other through escrow, an assignment and assumption of the Tenant Lease substantially in the form attached hereto as Exhibit “H” and incorporated herein by reference (the “Tenant Lease Assignment”). In regard to the Tenant Lease:

- i. All non-delinquent rents (including all accrued tax and operating expense pass-throughs), charges and revenue of any kind receivable from the Tenant Lease will be prorated at Close of Escrow. Owner will receive all rents (including all accrued tax and operating expense pass-throughs), charges and other revenue of any kind receivable from the Tenant Lease up to, but not including, the Close of Escrow. No proration will be made with respect to any delinquent rents of any kind receivable from the Lease for any period before Close of Escrow. All amounts collected by County subsequent to Close of Escrow relating to delinquent rents will be promptly remitted to Owner; provided, however, all rents received by County after the Close of Escrow, will be applied first to any current rental period following the Close of Escrow; second to the rental period in which the Close of Escrow occurred and third to satisfy delinquent rental obligations for any period before Close of Escrow not prorated at Close of Escrow. Owner will retain all ownership rights relating to any such delinquent rents; if County has not collected the same within ninety (90) days from the Close of Escrow, then Owner may take such action as it deems necessary to collect such delinquent rents, including the commencement of an action against the Tenant or any other person liable for such delinquent rents, but not including any action for unlawful detainer or other action seeking to terminate such Tenant's occupancy of its premises.
- ii. County shall be credited and Owner shall be charged with the balance of the security deposits then held by Owner under the Tenant Lease.
- iii. The Tenant Lease shall be assigned by Owner and assumed by County pursuant to that certain Assignment and Assumption of Lease in the form attached hereto as Exhibit “H” and incorporated herein by reference (the “Tenant Lease Assignment”).

m. Completion of the California Environmental Quality Act (CEQA) environmental review process for this transaction, as determined by COUNTY, appropriation of funding, and ratification of this Agreement by the Board of Supervisors, (the “Directors”), within the time periods provided in this Agreement, are express conditions precedent to COUNTY’s duty to purchase. Notwithstanding any other provision in this Agreement, the Due Diligence Period may be extended by mutual written agreement in each party’s sole and absolute discretion as to any

such extension, to permit the funding approval, appropriation and ratification by County Board of Supervisors or to ensure compliance with CEQA. This Agreement requires the Board of Supervisors to ratify this Agreement; the COUNTY also reserves the right to decline ratification and terminate this Agreement in accordance with Section 1.g, on or before the expiration of the Due Diligence Period. In the event that the Board of Supervisors does not ratify this Agreement on or before the expiration of the Due Diligence Period and County terminates this Agreement, OWNER shall promptly return the Deposit submitted by COUNTY to the OWNER.

n. The Property is subject to that certain Lease dated September 20, 1980, executed by Liselotte M. Mac Farlane, as lessor, and Harlan Degroodt, Edwin Lenvick and Kenneth Minor, as lessee (the "Ground Lease"). The Ground Lease is referenced in that certain Memorandum of Lease recorded December 22, 1980, as instrument no. 80-52902 of Official Records of Santa Barbara County. Owner is both (i) the Lessee under the Ground Lease pursuant to that certain Assignment of Lease and Deed of Improvements dated October 1, 2007 and recorded October 10, 2007 as Instrument No. 2007-0071967 of Official Records of Santa Barbara County and (ii) the Lessor under the Ground Lease pursuant to that certain Assignment of Lease dated August 17, 2011 and recorded August 17, 2011 as Instrument No. 2011-0046464 of Official Records of Santa Barbara County. At the Close of Escrow, Owner as both lessor and lessee under the Ground Lease, shall terminate the Ground Lease and shall provide the County with a copy of such termination agreement.

o. The Property purchased by County shall include the easement (the "Easement") over 319 W. Haley, Santa Barbara, CA (the "Easement Property") which Easement is appurtenant to and for the benefit of the Property, which Easement was created by that certain Easement Grant Deed recorded October 26, 1983 as instrument number 83-57475 which incorporated by reference that certain Easement Agreement dated October 12, 1983 (the "Easement Agreement") by and between Richard Godkin and Devon Godkin, husband and wife as Grantor and Haley Land Company, a general partnership as Grantee. On or before the date which is three (3) business days prior to the expiration of the Due Diligence Period (the "Estoppel Delivery Date"), County shall have received and approved an estoppel certificate either in the form attached hereto as Exhibit "I" or in such other form as the County is willing to accept (in either case, the "Easement Estoppel Certificate") from the City. On the Easement Estoppel Delivery Date, if the City has not delivered the required Easement Estoppel Certificate, County may elect to terminate the Agreement and Escrow prior to the expiration of the Due Diligence Period. The failure of the City to deliver the Easement Estoppel Certificate shall not be a default by Owner hereunder. As of the Close of Escrow, County and Owner shall execute, acknowledge and cause Escrow Holder to record through escrow, an assignment and assumption of the Easement Agreement substantially in the form attached hereto as Exhibit "J" and incorporated herein by references (the "Easement Agreement Assignment").

p. As part of the Close of Escrow, Owner and County shall enter into that certain Standard Industrial/Commercial Single Tenant Lease-Net in the form attached hereto as Exhibit "K" (the "New Lease"). County and Owner shall deliver two original signed counterparts of the New Lease through Escrow.

## **2. ESCROW AND OTHER FEES:**

a. Within ten (10) days following the Execution Date, COUNTY shall open escrow at First American Title Company (“Escrow Holder”), 3780 State Street, Suite C, Santa Barbara, CA, 93105 as agreed to by OWNER and COUNTY with escrow instructions to be based upon the terms and conditions set forth herein and COUNTY shall deliver a copy of this Purchase Agreement and exhibits to the Escrow Holder. On behalf of the COUNTY, the Director of General Services, or designee, shall execute the necessary escrow instructions and/or additional documents which may be required to complete the closing of this real property transaction. This Agreement shall become part of the escrow and shall constitute the basic instructions and documents as are reasonably required to complete the closing of the transaction contemplated herein, in accordance with the terms and conditions of this Agreement. In case of conflict between this Agreement and any of said escrow documents, the terms of this Agreement shall govern.

b. Escrow shall close on or before fifteen (15) days following the expiration of the Due Diligence Period (the “Closing Date”), or such other date as the parties hereto shall mutually agree in writing, and may occur after all conditions herein stated are satisfied (except those conditions that have been waived by an express written waiver duly executed by the waiving party). The “Close of Escrow” is defined as (i) the full payment of the Purchase Price to OWNER; and (ii) the recordation of the Grant Deed, which shall vest fee title in the Property to the COUNTY.

c. Escrow, title and other fees shall be paid as follows:

- i. OWNER shall pay all COUNTY documentary transfer tax (“Transfer Tax”), if applicable.
- ii. OWNER shall pay for a Standard California Land Title Association owner’s policy of title insurance showing title vested in COUNTY subject only to the permitted exceptions and the standard printed exceptions and conditions in the policy.
- iii. Omitted.
- iv. COUNTY shall pay for any extended or additional title insurance coverage that may be required by COUNTY.
- v. COUNTY and OWNER shall each pay one-half (1/2) of Escrow Holder’s standard escrow fees except as otherwise required by this Agreement.
- vi. Omitted.
- vii. COUNTY shall pay all escrow fees in the event that this escrow is canceled by COUNTY after the expiration of the Due Diligence Period and prior to the conveyance of the Property to COUNTY, except that OWNER shall pay escrow fees in the event that COUNTY cancels escrow in the event of a default by Owner hereunder. COUNTY shall pay all escrow fees in the event this escrow is canceled by COUNTY during the Due Diligence Period.

**3. DEPOSIT AND REFUND:** Within three (3) business days following the Execution Date, COUNTY shall deposit with Escrow Holder the Deposit in the amount of ONE HUNDRED THIRTY-ONE THOUSAND TWO HUNDRED FIFTY DOLLARS (\$131,250.00) (the "Deposit"). If this Agreement is terminated prior to the expiration of the Due Diligence Period for any reason, the Deposit shall be refunded to COUNTY less any fees that are due and are COUNTY's responsibility as described herein. If this Agreement is terminated after the Due Diligence Period and prior to the Close of Escrow pursuant to the provisions herein, the Deposit shall be paid to OWNER, except in the case of a termination of this Agreement pursuant to a provision that expressly entitles COUNTY to a refund of the Deposit. Notwithstanding anything in this Agreement to the contrary, One Hundred Dollars (\$100.00) of the Deposit (the "Independent Consideration") shall be paid to Owner and considered completely nonrefundable to County in all events, it being the intent of the parties to recognize that such amount has been bargained for and agreed to as independent consideration for County's exclusive right to purchase the Property pursuant to and in accordance with this Agreement and the Due Diligence Period provided hereunder, and for Owner's execution and delivery of this Agreement. In the event that escrow is canceled by COUNTY for any reason after the balance of the Purchase Price is deposited with the Escrow Holder prior to the conveyance of the Property to COUNTY, the balance of the Purchase Price, excluding the Deposit, shall be fully refunded to COUNTY.

**4. ESCROW HOLDER OBLIGATIONS:** Escrow Holder shall be obligated as follows:

- a. Provide a current preliminary title report covering the Property;
- b. Cause the Grant Deed, Certificate of Acceptance, and Assignment of Easement Agreement, to be recorded concurrently at Close of Escrow with title to the Property vested in COUNTY;
- c. Issue or have issued to COUNTY the California Land Title Association Standard Coverage Policy of title insurance required herein;
- d. Obtain reconveyance(s) from any holders of liens against the Property and record said reconveyance(s) in the Santa Barbara COUNTY Clerk-Recorder's Office concurrently with the executed Grant Deed and Certificate of Acceptance or promptly upon receipt if such reconveyances are received after Close of Escrow;
- e. Provide COUNTY and OWNER with (i) Conformed Copies of all recorded documents pertaining to this Escrow and (ii) originals of the Assignment of Lease and New Lease; and
- f. Provide COUNTY and OWNER a final closing statement with certification by the title company.

**5. COUNTY OBLIGATIONS:** The COUNTY shall be obligated as follows:

- a. Timely deliver to Escrow Holder all documents and fees required to be deposited



by COUNTY under this Agreement.

- b. To provide a mutually executed purchase agreement between COUNTY and OWNER.
- c. To provide escrow instructions mutually executed by COUNTY and OWNER.
- d. To provide an appraisal report conducted by a certified appraiser.
- e. To secure a commitment from First American Title Company to produce an ALTA Lender's Title Insurance Policy and obtain said policy upon the close of escrow.
- f. To assure First American Title Company records a declaration of restrictions and a performance deed of trust upon closing of escrow.
- g. To obtain a cost estimate sheet upon the close of escrow.
- h. To assure all deeds of trust or any documents that require recordation are recorded upon the consummation of the purchase transaction.
- i. Pay for all costs identified as COUNTY's costs as set forth in this Agreement.

**6. OWNER'S REPRESENTATION AND WARRANTIES:** OWNER represents and warrants that:

- a. Except as disclosed on Schedule 6.a, there is no suit, action, arbitration, legal, administrative, or other proceeding pending against the Property or pending against OWNER that could affect OWNER's title of the Property, or subject an Owner of the Property to liability.
- b. There are no attachments, execution proceedings, assignments for the benefit of creditors, insolvency, or bankruptcy, reorganization or other proceedings pending against the OWNER restricting the Close of Escrow.
- c. To the actual knowledge of Owner, OWNER has not actually received any formal, written notice of any pending change in zoning from any governmental or quasi-governmental authority, which change would materially affect the present zoning or present use of the Property. The term "formal written notice" as used in this Agreement shall mean that kind and method of notice that must legally be given to the OWNER(s) of the Property, but shall not mean notice by publication.
- d. OWNER will not subject the Property to any additional leases, liens, encumbrances, covenants, conditions, easements, rights of way or similar matters after the execution of this Agreement that will not be eliminated prior to the Close of Escrow.
- e. To the actual knowledge of Owner, neither the entering into this Agreement nor the performance of any of OWNER's obligations under this Agreement will violate the terms of any contract, agreement or instrument to which OWNER is a party.
- f. To the actual knowledge of the Owner, (i) Owner has not received any written notice of default of Owner under the Tenant Lease and (ii) there are no landlord or tenant defaults or obligations under the Tenant Lease, nor (b) events that have occurred which, with the passage of time, would cause an event of default by Owner or Tenant under the Tenant Lease. Other than the Tenant Lease or Ground Lease, Owner is not currently a party to any other leases, licenses or other similar occupancy agreements with respect to the leasing or occupancy of the Property.

g. If, after expiration of the Due Diligence Period but prior to the Close of Escrow, County or Owner obtains actual knowledge that any of the representations and warranties made herein by Owner are untrue, inaccurate or incorrect in any material respect, then such party shall give the other party written notice thereof within five (5) days of obtaining such knowledge (but in any event prior to the Close of Escrow). In such case, Owner shall have the right, but not the obligation, to cure such misrepresentation or breach and shall be entitled to a reasonable adjournment of the Closing Date for the purpose of such cure. If Owner is unable or otherwise elects not to so cure any such misrepresentation or breach, then County, as its sole and exclusive remedy for any and all such materially untrue, inaccurate or incorrect representations or warranties discovered by County prior to the Close of Escrow, shall elect either (a) to waive such misrepresentations or breaches of warranties and consummate the transactions contemplated herein without any reduction of or credit against the Purchase Price (provided; however, nothing in this clause (a) shall prevent the Owner and County from negotiating a credit against the Purchase Price, in each party's sole and absolute discretion), or (b) to terminate this Agreement by written notice given to Owner on the Closing Date, in which event this Agreement shall be terminated, the Deposit shall be returned to County and neither party shall have any further rights or obligations hereunder, except for those rights and obligations which expressly survive the termination of this Agreement.

h. The representations and warranties made in this Agreement by Owner shall be continuing and shall be deemed remade by Owner as of the Close of Escrow with the same force and effect as if in fact made at that time. All representations and warranties of Owner made in this Agreement shall survive the Close of Escrow for a period of three (3) months after the Close of Escrow at which time they shall expire and thereafter be of no further force or effect.

**7. OWNER'S OBLIGATIONS:** The OWNER shall be obligated as follows:

a. Within one (1) business day prior to the Close of Escrow, deliver to Escrow Holder an executed Grant Deed, in substantially the same form as Exhibit "E", attached hereto and incorporated herein by reference, conveying fee interest to the Property. The Grant Deed shall be vested in "COUNTY OF SANTA BARBARA, a political subdivision of the State of California."

b. Ensure that the Property is free and clear of any and all liens and encumbrances including the removal of financial indebtedness (excepting taxes, which will be prorated to the Close of Escrow), except for the Permitted Encumbrances (as defined below).

c. Pay, if and when due, all payments on any encumbrances or assessments presently affecting the Property and any and all taxes, assessments, and levies in respect to the Property prior to the Close of Escrow.

d. Refrain from recording any covenants, conditions or restrictions against the Property, including without limitation any application for annexation or development of the Property.

e. Pay for any and all costs identified as OWNER's costs as contained in this Agreement. OWNER's costs associated with this Agreement shall be paid by OWNER at the Close of Escrow from the Purchase Price.

f. Timely deliver to Escrow Holder all documents required to be deposited by OWNER under this Agreement.

- g. Omitted.
- h. Within ten (10) days following the Execution Date, deliver to COUNTY copies of the following:
  - i. The Tenant Lease and the Ground Lease;
  - ii. Omitted;
  - iii. The most recent operating income statement;
  - iv. Any existing environmental reports prepared within the last three (3) years including, but not limited to, any existing Phase I Environmental Site Assessment, completed within the last three (3) years; and
  - v. The Property Information Sheet required pursuant to Section 9.

**8. AGENCY DISCLOSURE AND COMMISSION:**

a. It is understood that OWNER represents itself in this transaction and that any commission paid to any agent or broker representing OWNER in this transaction shall be paid by OWNER. OWNER represents and warrants to COUNTY that it has not engaged a broker or agent in connection with this transaction.

b. It is understood that COUNTY represents itself in this transaction and that no commission will be paid by COUNTY on this transaction. County represents and warrants to Owner that it has not engaged a broker or agent in connection with this transaction.

c. Any commission paid to any agent or broker representing OWNER in this transaction shall be paid by OWNER.

In the event of any additional claims for brokers' or finders' fees or commissions in connection with the negotiation, execution or consummation of this Agreement, then as a covenant which shall survive the termination of this Agreement or the Close of Escrow, County shall indemnify, save harmless and defend Owner from and against such claims if they shall be based upon any statement or representation or agreement by County, and Owner shall indemnify, save harmless and defend County if such claims shall be based upon any statement, representation or agreement made by Owner.

**9. PROPERTY INFORMATION SHEET; AS IS PURCHASE**

a. Within ten (10) days after the Execution Date, Owner shall provide County with the Property Information Sheet attached hereto as Schedule 9.a..

b. Except as otherwise stated in this Agreement, COUNTY is purchasing the Property "AS IS" and "with all faults" in its existing condition and will, by the expiration of the Due Diligence Period have made all inspection of the Property County believes are necessary to protect its own interests in, and its contemplated use of, the Property. The parties acknowledge that, except

as otherwise stated in this Agreement, no representation, inducements, promises, agreements, assurances, oral or written, concerning the Property, or any aspect of the occupation safety and health laws, hazardous substance laws or any other act ordinance or law, have been made by either party or relied upon by either party.

**10. INSPECTION BY COUNTY:**

COUNTY, upon not less than 48-hour notice to the OWNER, shall have the right of entry onto the Property to conduct and/or have COUNTY contractors conduct such non-invasive and non-intrusive inspections and testing thereon as are, in COUNTY's sole discretion, necessary to reasonably determine the condition of the Property. It shall be OWNER's responsibility to coordinate with existing tenants to secure the access for COUNTY required by this section. OWNER shall ensure that such access is secured in accordance with any applicable existing legal or contractual rights of the tenants. Notwithstanding the foregoing, County shall not be permitted to undertake any air sampling or any intrusive or destructive testing of the Property, including, without limitation, a "Phase II" environmental assessment (collectively, the "Intrusive Tests"), without first obtaining Owner's prior written consent thereto, which consent Owner may give or withhold in Owner's sole and absolute discretion. The scope of any such testing or inspection of all or any part of the Property shall be subject to:

a. OWNER's receipt of a certificate of insurance evidencing any insurance coverage reasonably required by OWNER pursuant to this Section.

b. The requirement that COUNTY conduct all such inspections and testing, including the disposal of samples taken, in accordance with applicable law and at no cost or liability to OWNER. COUNTY shall complete such inspections and testing within the Due Diligence Period and shall restore all areas of the Property to its pre-test and pre-inspection condition as near as is practicable.

Subject to Owner's approval pursuant to this Section 10, COUNTY shall give OWNER written notice prior to the commencement of any testing or inspections in, on or about the Property, and OWNER shall have the right to post Notices of Testing, and/or Notices of Non-responsibility as provided by law. In connection with any and all inspections or testing on the Property, County shall keep the Property free and clear of claims, charges and/or liens for labor and materials, and COUNTY shall defend, indemnify and save harmless OWNER, its officials, officers, agents and employees from and against any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities caused by any such testing, inspection or entry by COUNTY, its partners, officers, directors, members, shareholders, independent contractors, agents or employees.

**11. TITLE AND DEED:**

a. Title to the Property is to be free of liens, encumbrances, restrictions, conditions, rights to possession or claims thereto, except (i) the exceptions contained in the that certain Preliminary Report dated May 20, 2024, order number 4202-6991840, issued by First American Title Company (the "Report") a copy of which has been provided to County, as may be approved or deemed approved by COUNTY pursuant to Section 11.c; (ii) a lien to secure payment of general

and special real property taxes and assessments, not yet delinquent; and (iii) the Tenant Lease (collectively, the “Permitted Exceptions”).

b. Property taxes for the fiscal year in which this escrow closes shall be satisfied in a manner consistent with California Revenue and Taxation Code Section 4986(a)(6). Escrow Holder is authorized to pay all delinquent taxes, if any, from the amount shown in Section 1, SALE AND PURCHASE PRICE, herein above. OWNER understands that pursuant to Section 4986(a)(6), OWNER may receive after the Close of Escrow, either 1) an unsecured property tax bill from the COUNTY of Santa Barbara Treasurer-Tax Collector for real property taxes that may be due; or 2) a COUNTY of Santa Barbara warrant from the COUNTY of Santa Barbara Auditor-Controller to reimburse OWNER for any prepaid property taxes that may be canceled.

c. COUNTY shall have the right to review the Report and disapprove in writing any items disclosed in said report prior to the date which is thirty (30) days after the Execution Date (the “Title Approval Period”). OWNER shall have ten (10) days from receipt of COUNTY’s notice of disapproval to correct the condition(s) that adversely affect the Property (the “Title Notice”); provided, however, Owner shall have no obligation to do so. Failure or refusal to correct shall be grounds for termination of this Agreement by COUNTY prior to the expiration of the Due Diligence Period. The failure of County to give County’s Title Notice on or before the end of the Title Approval Period shall be deemed to constitute County’s approval of the condition of title.

d. OWNER shall have the right, but not the obligation, to request Escrow to be extended for thirty (30) days where the Owner elects to correct any disapproved matter unless correction requires more than thirty (30) days in which case escrow shall be extended to the date of correction.

**12. ITEMS INCLUDED IN SALE:**

a. Items Included in Sale:

- i. All existing fixtures and fittings that are attached to the Property;
- ii. Existing electrical, mechanical, lighting, plumbing and heating fixtures, window and door screens, attached floor coverings, air coolers/conditioners, garage door openers/remote controls, mailbox, in-ground landscaping, trees/shrubs, water softeners, water purifiers, security systems/alarms.
- iii. OWNER represents that all items included in the Purchase Price are, unless otherwise specified or identified herein, owned by OWNER. Prior to the expiration of the Due Diligence Period, OWNER shall give COUNTY a list of fixtures, if any, not owned by OWNER.
- iv. Omitted.
- v. OWNER shall (i) disclose to COUNTY if any item or system included in the sale is leased or not owned by OWNER, or specifically subject to a lien or other encumbrance and (ii) deliver to COUNTY all written materials (such as

lease, warranty, etc.) concerning such item. COUNTY may, in its sole and absolute discretion, accept or reject the subject to any such lien or encumbrance.

**13. TIME OF ESSENCE:** Time is of the essence in the performance by the parties in respect to this Agreement.

**14. NOTICES:** All notices, documents, correspondence, and communications concerning this transaction shall be addressed as set forth below or as either party may hereafter designate by written notice and shall be given by (i) United States mail duly registered or certified with postage prepaid. or (ii) PDF via electronic mail (e-mail), and shall be deemed received upon the date of receipt thereof if received prior to 5:00 p.m. of the recipient's business day, and if not so received, shall be deemed received upon the following business day. E-mail deliveries shall be deemed received upon entry of such message into the recipient's e-mail server. Notwithstanding the above, either party may also provide notices, documents, correspondence or such other communications to the other party by personal delivery, overnight carrier, or by first class mail postage prepaid and any such notices, documents, correspondence and communications so given shall be deemed to have been given upon actual receipt.

IF TO OWNER: PathPoint  
Attn: Henry Bruell  
315 W Haley, Suite 202  
Santa Barbara, CA 93101  
(805) 966-3310  
Email: [harry.bruell@pathpoint.org](mailto:harry.bruell@pathpoint.org)

IF TO COUNTY: COUNTY of Santa Barbara  
General Services Department  
Attn: Kirk Lagerquist, Director  
260 N San Antonio Road – Casa Nueva  
Santa Barbara, CA 93110  
Phone: (805) 560-1011  
Email: [klagerquist@COUNTYofsb.org](mailto:klagerquist@COUNTYofsb.org)

*with a copy to:* COUNTY of Santa Barbara  
General Services Department  
Attn: Jeff Laass/Real Property Division  
1105 Santa Barbara Street, 2<sup>nd</sup> floor  
Santa Barbara, CA 93101  
Phone: (805) 568-3081  
Email: [jlaass@COUNTYofsb.org](mailto:jlaass@COUNTYofsb.org)

ESCROW HOLDER: First American Title Company

Attn: Bridget Foss  
3780 State Street, Suite C  
Santa Barbara, CA 93105  
Phone: (805) 687-1581  
Facsimile: (866) 866-1603  
Email: [bfoss@firstam.com](mailto:bfoss@firstam.com)

- 15. SUCCESSORS:** This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors and assignees of the parties to this Agreement.
- 16. ASSIGNMENT PROHIBITION:** COUNTY shall not assign its rights or delegate its duties under this Agreement, without the prior written consent of OWNER, which consent may be withheld. Any sale, assignment, or other transfer in violation of this Section 16 shall be null and void.
- 17. WAIVERS:** No waiver of any breach of any covenant or provision in this Agreement shall be deemed a waiver of any other covenant or provision, and no waiver shall be valid unless in writing and executed by the waiving party.
- 18. CONSTRUCTION:** Section headings are solely for the convenience of the parties and are not a part and shall not be used to interpret this Agreement. The singular form shall include the plural and vice-versa. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. Unless otherwise indicated, all references to sections are to this Agreement.
- 19. FURTHER ASSURANCES:** Whenever requested by the other party, each party shall execute, acknowledge and deliver all further conveyances, agreements, confirmations, satisfactions, releases, powers of attorney, instruments of further assurances, approvals, consents and all further instruments and documents as may be necessary, expedient or proper to complete any conveyances, transfers, sales, and agreements covered by this Agreement, and to do all other reasonable acts and to execute, acknowledge, and deliver all requested documents to carry out the intent and purpose of this Agreement.
- 20. THIRD PARTY RIGHTS:** Nothing in this Agreement, express or implied, is intended to confer on any person, other than the parties to this Agreement and their respective successors and assigns, any rights or remedies under or by reason of this Agreement.
- 21. INTEGRATION:** This Agreement contains the entire agreement between the parties, and expressly supersedes all previous or contemporaneous agreements, understandings, representations, or statements between the parties respecting the purchase of the Property.
- 22. COUNTERPARTS:** This Agreement may be executed in one or more counterparts, each of which taken together shall constitute one and the same instrument. A copy of this Agreement or an amendment hereto that is executed by a party (including by use of electronic signature software (e.g., "DocuSign")) and transmitted by that party to the other party by facsimile or as an attachment (e.g., in ".tif" or ".pdf" format) to an email or by use of an electronic signature software shall be binding upon the signatory to the same extent as a copy hereof containing that party's

original signature.

**23. SURVIVAL:** The indemnification provisions of this Agreement shall survive termination and shall be binding on all successor in interest to the Property as provided in Section 15 above.

**24. AMENDMENT:** This Agreement may not be amended or altered except by a written instrument executed by COUNTY and OWNER.

**25. PARTIAL INVALIDITY:** Any provision of this Agreement that is unenforceable or invalid or the inclusion of which would adversely affect the validity, legality, or enforceability of this Agreement shall be of no effect, but all the remaining provisions of this Agreement shall remain in full force and effect.

**26. EXHIBITS:** All attached exhibits are incorporated in this Agreement by reference.

**27. OMITTED.**

**28. AUTHORITY OF PARTIES:** All persons executing this Agreement on behalf of any party to this Agreement warrant that they have the authority to execute this Agreement on behalf of that party. OWNER represents and warrants that they are collectively the sole OWNERS of the Property or are authorized by the OWNER of the Property to execute this Agreement, to consummate the transactions contemplated hereby, and no additional signatures are required.

**29. GOVERNING LAW:** The validity, meaning, and effect of this Agreement shall be determined in accordance with California laws.

**30. CASUALTY.** If the Property is damaged by fire, flooding, vandalism, windstorm, explosion or other casualty (collectively "Casualty") and (i) the reasonably estimated cost of repairing damage caused by the Casualty shall exceed ten percent (10%) of the Purchase Price (the "Casualty Amount"), (ii) such Casualty results in a material loss of parking for or access to the Property, or (iii) such Casualty results in the Property no longer being in compliance with applicable zoning laws (items (i) through (iii) being collectively referred to as the "Casualty Termination Conditions"), then County may terminate this Agreement by delivery of written notice to Owner within ten (10) business days following written notification to County of the Casualty and Escrow Holder shall return to County the Deposit and any other funds deposited with Escrow by County hereunder. If the Property shall suffer a Casualty from a risk for which Owner is entitled to insurance coverage, and none of the Casualty Termination Conditions have occurred or one or more Casualty Termination Conditions has occurred and County does not elect to terminate this Agreement hereunder, then (a) Owner shall assign to County all rights to the insurance proceeds covering the Casualty, and grant to County a credit for any deductible amount required to be paid under any applicable casualty insurance policy; and (b) neither Owner nor County shall be entitled to terminate this Agreement by reason of such Casualty.

**31. CONDEMNATION.**

- (a) If any portion of the Property is taken by condemnation or eminent domain or is the subject of a threatened or pending condemnation or eminent domain proceeding that



has not been consummated prior to the Close of Escrow resulting in a decrease in the value of the Property in an amount not exceeding ten percent (10%) of the Purchase Price, subject to the terms of this Agreement, County and Owner shall consummate this Agreement without change in the Purchase Price, provided that Owner shall assign to County at Close of Escrow its rights, if any, to all awards for such condemnation or taking.

- (b) In the event all or any portion of the Property is taken by condemnation or eminent domain or is the subject of a threatened or pending condemnation or eminent domain proceeding that has not been consummated prior to the Close of Escrow resulting in a decrease in the value of the Property in an amount in excess of ten percent (10%) of the Purchase Price, either County or Owner may elect to terminate this Agreement upon written notice to the other given within ten (10) days after learning of such taking or proceeding, with the same effect as if terminated under Section 1.1(h). If neither party elects to terminate this Agreement as provided in the preceding sentence, the parties shall proceed to consummate this Agreement in which event Owner shall assign to County at Close of Escrow its rights, if any, to all awards for such condemnation or taking.

### **32. REMEDIES.**

- (a) LIQUIDATED DAMAGES. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, IF THE SALE OF THE PROPERTY TO COUNTY IS NOT CONSUMMATED DUE TO A DEFAULT UNDER THIS AGREEMENT BY COUNTY, OWNER SHALL BE ENTITLED TO RETAIN THE DEPOSIT AS OWNER'S LIQUIDATED DAMAGES AS OWNER'S SOLE AND EXCLUSIVE REMEDY. THE PARTIES AGREE THAT IT WOULD BE IMPRACTICABLE AND EXTREMELY DIFFICULT TO ASCERTAIN THE ACTUAL DAMAGES SUFFERED BY OWNER AS A RESULT OF COUNTY'S FAILURE TO COMPLETE THE PURCHASE OF THE PROPERTY PURSUANT TO THIS AGREEMENT, AND THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT, THE LIQUIDATED DAMAGES PROVIDED FOR IN THIS SECTION REPRESENTS A REASONABLE ESTIMATE OF THE DAMAGES WHICH OWNER WILL INCUR AS A RESULT OF SUCH FAILURE, PROVIDED, HOWEVER, THAT THIS PROVISION SHALL NOT LIMIT OWNER'S RIGHTS TO RECEIVE REIMBURSEMENT FOR ATTORNEYS' FEES, NOR WAIVE OR AFFECT OWNER'S RIGHTS AND COUNTY'S INDEMNITY OBLIGATIONS UNDER OTHER SECTIONS OF THIS AGREEMENT. THE PARTIES ACKNOWLEDGE THAT THE PAYMENT OF SUCH LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTION 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO OWNER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676, AND 1677. THE PARTIES

HAVE SET FORTH THEIR INITIALS BELOW TO INDICATE THEIR AGREEMENT WITH THE LIQUIDATED DAMAGES PROVISION CONTAINED IN THIS SECTION.

<sup>DS</sup>  
kll  
\_\_\_\_\_  
County's Initials

<sup>DS</sup>  
HB  
\_\_\_\_\_  
Owner's Initials

- (b) County's Pre-Closing Remedies. In the event Owner fails to perform any act required to be performed by Owner pursuant to this Agreement on or before the Close of Escrow, then County shall execute and deliver to Owner written notice of such breach, which notice shall set forth complete information about the nature of the breach. Upon the occurrence of such breach, County's sole and exclusive remedy shall be either: (i) to cancel this Agreement, in which event the Deposit shall be returned to County or (ii) provided an action is filed within sixty (60) days of the date of such breach, file an action against Owner for specific performance of this Agreement. County hereby waives any right to any damages (whether actual, incidental, consequential, punitive or otherwise). The foregoing waiver is a material inducement to Owner in entering into this Agreement and shall survive the termination or expiration of this Agreement.
- (c) Indemnities; Defaults after Closing or Termination. The limitations on the parties' remedies set forth in Sections 32(a) and (b) will not be deemed to prohibit either party from (i) specifically seeking indemnification from the other for any matter with respect to which such other party has agreed hereunder to provide indemnification or from seeking damages from such other party in the event it fails or refuses to provide such indemnification; (ii) subject to the terms, conditions and limitations of this Agreement, including, without limitation, Section 32(d) below, seeking damages incurred during the period of time after Close of Escrow that a representation or warranty given as of the Close of Escrow by the other party hereunder survives the Close of Escrow, for the other party's breach of such representation or warranty first discovered after such Close of Escrow; or (iii) subject to the terms, conditions and limitations of this Agreement seeking damages or such equitable relief as may be available for the other party's failure to perform after any termination of this Agreement any obligation hereunder which expressly survives such termination; provided, however, that in no event whatsoever will either party be entitled to recover from the other any punitive, exemplary, consequential or speculative damages.
- (d) Owner's Maximum Aggregate Liability. Notwithstanding any provision to the contrary contained in this Agreement or any documents executed by Owner pursuant hereto or in connection herewith, the maximum aggregate liability of Owner, and the maximum aggregate amount which may be awarded to and collected by County (or any one claiming by, through or under County), relating in any way to the transactions contemplated under this Agreement (including, without limitation, the breach of any representations or warranties or covenants contained herein, any indemnification obligations hereunder, and attorneys' fees) and any and all documents executed pursuant hereto or in connection herewith, for which a claim is

timely made by County after the Close of Escrow, shall not exceed one percent (1%) of the Purchase Price. The provisions of this Section shall survive the Close of Escrow and shall not be merged therein.

- 33. ATTORNEYS' FEES.** In the event of the bringing of any action or suit by a party hereto against another party hereunder by reason of any breach of any of the covenants, agreements or provisions on the part of the other party arising out of this Agreement, then in that event the prevailing party shall be entitled to have and recover from the other party all costs and expenses of the action or suit, including actual attorneys' fees resulting therefrom.

Project: COUNTY Office Building, 315 W. Haley Street, Santa Barbara  
APN: 037-192-001  
File No.: 004018

**IN WITNESS WHEREOF**, COUNTY and OWNER have executed this Real Property Purchase Agreement and Escrow Instructions by the respective authorized officers as set forth below to be effective as of the date executed by COUNTY.

COUNTY:  
COUNTY OF SANTA BARBARA

ATTEST:  
MONA MIYASATO  
CLERK OF THE BOARD

By: \_\_\_\_\_  
STEVE LAVAGNINO, CHAIR  
BOARD OF SUPERVISORS

By: \_\_\_\_\_  
Sheila De La Guerra  
Deputy Clerk

Dated: \_\_\_\_\_

APPROVED AS TO FORM:  
RACHEL VAN MULLEM  
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING:  
BETSY M. SCHAFFER, C.P.A.  
AUDITOR-CONTROLLER

DocuSigned by:  
By: Tyler Sprague  
Tyler Sprague  
Deputy County Counsel

DocuSigned by:  
By: Edwin Price, Jr.  
Edwin Price, Jr.  
Deputy Auditor-Controller

APPROVED:  
KIRK LAGERQUIST, DIRECTOR  
GENERAL SERVICES DEPARTMENT

APPROVED AS TO FORM:  
CEO/RISK MANAGEMENT

DocuSigned by:  
By: Kirk Lagerquist  
Kirk Lagerquist, Director  
General Services Department

DocuSigned by:  
By: Greg Milligan  
Greg Milligan  
Risk Manager

APPROVED:  
DocuSigned by:  
By: Jeffrey Laass  
Jeffrey Laass, Real Property Manager  
General Services Department

*(OWNER signatures continue on next page)*

Project: COUNTY Office Building, 315 W. Haley Street, Santa Barbara  
APN: 037-192-001  
File No.: 004018

**IN WITNESS WHEREOF**, COUNTY and OWNER have executed this Real Property Purchase Agreement and Escrow Instructions by the respective authorized officers as set forth below to be effective as of the date executed by COUNTY.

“OWNER”  
PATHPOINT, a California Non-profit Public Benefit Corporation

DocuSigned by:  
By: Henry Bruell  
Henry Bruell, President/CEO

Date: 6/5/2024 | 10:06 AM PDT

### CONSENT OF ESCROW HOLDER

The undersigned Escrow Holder hereby agrees to:

- A. Accept the foregoing Purchase Agreement;
- B. Act as the Escrow Holder under the Purchase Agreement for the fees herein described;
- C. Be bound by the Purchase Agreement in the performance of its duties as Escrow Holder.

However, the undersigned will have no obligation, liability or responsibility under this consent or otherwise, unless and until the Purchase Agreement, fully signed by the parties has been delivered to the undersigned. Further, the undersigned will have no obligation, liability or responsibility under any amendment to the Purchase Agreement unless and until the amendment is accepted by the undersigned in writing.

FIRST AMERICAN TITLE COMPANY

By: \_\_\_\_\_

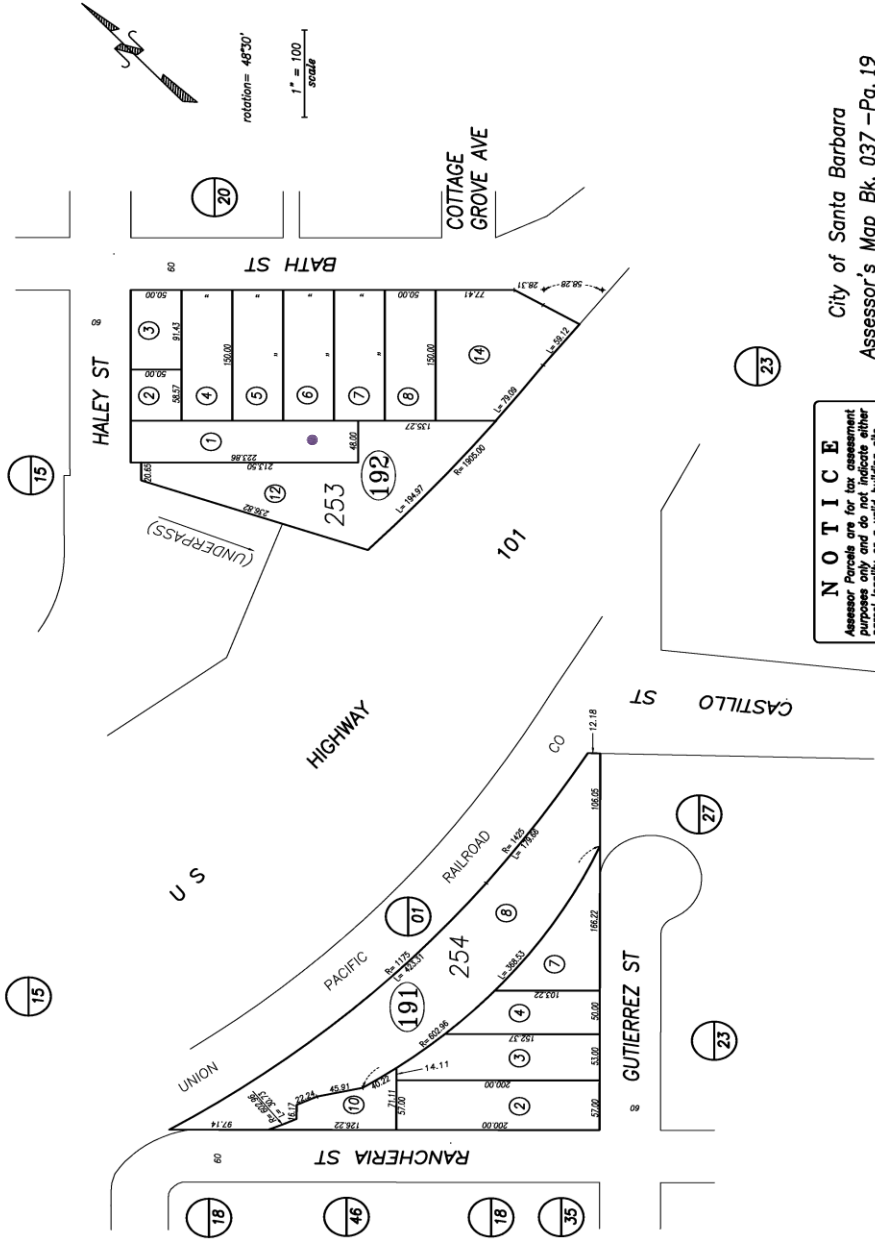
\_\_\_\_\_  
Name and Title

Date: \_\_\_\_\_

# EXHIBIT "A" PROPERTY

037-19

POR. PUEBLO LANDS



**NOTICE**  
 Assessor's Parcels are for tax assessment purposes only and do not indicate either parcel legality or a valid building site.

City of Santa Barbara  
 Assessor's Map Bk, 037 -Pg, 19  
 County of Santa Barbara, Calif.

LD/07 For Hwy and 11 into 14

**Exhibit “B”**

**Regulatory Agreement and Declaration of Restrictions**

**See Attached**

**[County to Provide]**



**Exhibit “C”**

**Performance Deed of Trust, Security Agreement and Fixture Filing**

**See Attached**

**[County to Provide]**

**Exhibit “D”**

**Sponsor Compliance Certifications**

**See Attached**

**[County to Provide]**

**Exhibit "E"**

**Grant Deed**

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
(Above Space For Recorder's Use Only)

**GRANT DEED**

THE UNDERSIGNED GRANTOR DECLARES:

Documentary transfer tax is \$ \_\_\_\_\_

- computed on full value of property conveyed, or
- computed on full value, less value of liens and encumbrances remaining at time of sale.

THE PROPERTY IS LOCATED IN \_\_\_\_\_, CALIFORNIA.

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, PATHPOINT, a California non-profit public benefit corporation, hereby GRANTS to COUNTY OF SANTA BARBARA, a political subdivision of the State of California, that certain real property which is more particularly described on Exhibit "A" which is attached hereto.

Dated: \_\_\_\_\_, 2024

By: PATHPOINT, a California non-profit public benefit corporation

By: \_\_\_\_\_  
Henry Bruell, President

**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name of notary)

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

**Exhibit “F”**

**Certificate of Acceptance**

**See Attached**

**[County to Provide Form]**

**EXHIBIT "G"**

**TENANT'S ESTOPPEL CERTIFICATE**

RE: 315 W. Haley Street, Suite 101, Santa Barbara, California (the "**Premises**")

The undersigned ("Tenant") hereby certifies to PathPoint, a California non-profit public benefit corporation ("Landlord"), and County of Santa Barbara, a political subdivision of the State of California, its successors and assigns (the "**County**"), and County's lender, as follows:

1. Attached hereto is a true, correct and complete copy of that certain Standard Industrial/Commercial Single-Tenant Lease-Gross dated October 27, 2014 as amended by that certain First Amendment dated August 7, 2019 (collectively, the "Lease") by and between Landlord as Lessor and Pamela M. Hanover, ("Tenant"), which demises Premises which are located at 315 W. Haley, Suite 101, Santa Barbara, California. The Lease is now in full force and effect and has not been amended, modified or supplemented.

2. The term of the Lease commenced on \_\_\_\_\_, 20\_\_.

3. The term of the Lease is currently scheduled to expire on \_\_\_\_\_, 20\_\_.

4. Tenant has no option to renew or extend the Term of the Lease except:

\_\_\_\_\_.

5. Omitted.

6. Omitted.

7. Tenant has accepted and is now in possession of the Premises and has not sublet, assigned or encumbered the Lease, the Premises or any portion thereof except as follows:

\_\_\_\_\_.

8. The current Monthly Basic Rent is \$\_\_\_\_\_.

9. Tenant's Monthly Operating Expense Charge currently payable by Tenant is \$ \_\_\_\_\_ per month.

10. The amount of security deposit (if any) is \$\_\_\_\_\_. No other security deposits have been made.

11. All rental payments payable by Tenant have been paid in full as of the date hereof. No Rent under the Lease has been paid for more than thirty (30) days in advance of its due date.

12. To Tenant's knowledge, as of the date hereof, there are no defaults on the part of Landlord or Tenant under the Lease.

Tenant recognizes and acknowledges it is executing this Tenant Estoppel Certificate with the intent that Landlord, the County and County's lenders may rely hereon.

Dated: \_\_\_\_\_, 2023.

TENANT:

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

## **EXHIBIT "H"**

### **ASSIGNMENT AND ASSUMPTION OF LEASE**

THIS ASSIGNMENT AND ASSUMPTION OF LEASE ("Assignment") is made and entered into as of \_\_\_\_\_, 2024, (the "Effective Date"), by and between PATHPOINT, a California non-profit public benefit corporation ("Assignor") and the COUNTY OF SANTA BARBARA, a political subdivision of the State of California ("Assignee"), with reference to the following:

#### **RECITALS**

A. Pursuant to the terms of that certain Real Property Purchase Agreement dated May \_\_, 2024, (as amended, the "Purchase Agreement"), Assignor, concurrently with the execution of this Assignment, is executing and delivering to Assignee a grant deed, pursuant to which Assignor is conveying to Assignee that certain improved real property commonly known as 315 West Haley Street, Santa Barbara California, as more particularly described in the Purchase Agreement (the "Property").

B. Assignor and Assignee desire, as part of the conveyance of the Property, to convey to Assignee the Tenant Lease.

C. Terms defined in the Purchase Agreement shall have the same meaning in this Assignment.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

#### **AGREEMENT**

**1. Assignment.** Effective as of the Effective Date, Assignor hereby transfers and assigns to Assignee any and all right, title and interest which Assignor may have, as landlord or otherwise, in the Tenant Lease. Assignor shall indemnify, defend and hold Assignee harmless from and against any and all liabilities, costs, claims, losses, and expenses (including reasonable attorneys' fees) incurred by Assignee arising out of or resulting from the breach or default by Assignor of any of the obligations, terms and/or covenants of the Tenant Lease arising or accruing prior to the Effective Date.

**2. Assumption.** Assignee hereby accepts the foregoing assignment and assumes and agrees in favor of Assignor to perform all of the obligations of Assignor under the Tenant Lease accruing or arising as of or after the Effective Date. Assignee shall indemnify, defend and hold Assignor harmless from and against any and all liabilities, costs, claims, losses, and expenses (including reasonable attorneys' fees) incurred by Assignor arising out of or resulting



from the breach or default by Assignee of any of the obligations, terms and/or covenants of the Tenant Lease arising or accruing on or after the Effective Date.

**3. Security Deposits.** Assignor hereby transfers and assigns to Assignee all security deposits held by the Assignor relative to the Leases.

**4. Further Assurances.** At any time or from time to time upon the request of a party, the other party shall execute such additional documents and instruments, and shall do such additional acts and things as the requesting party may reasonably request in order to fully effectuate the purposes of this Assignment.

**5. Counterpart Execution.** This Assignment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

**6. Governing Law.** This Assignment shall be construed and enforced in accordance with the laws of the State of California, without regard to principles of conflict of law.

*[Signatures Appear on Following Page]*

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment effective as of the Close of Escrow.

**“Assignor”**

**PATHPOINT,**  
a California non-profit public benefit corporation

By: \_\_\_\_\_  
Henry Bruell, President/CEO

**“Assignee”**

**COUNTY OF SANTA BARBARA,**  
a political subdivision of the State of a California

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT "I"**

**EASEMENT ESTOPPEL CERTIFICATE**

This **EASEMENT ESTOPPEL CERTIFICATE** (the "Certificate") is delivered as of \_\_\_\_\_ 2024 (the "Effective Date"), by the CITY OF SANTA BARBARA, a municipal corporation ("City"), based on these facts:

A. City owns the real property commonly known as 319 West Haley Street, Santa Barbara, CA (APN 037-192-012) ("City's Premises").

B. City's predecessor in interest granted an easement over the City's Premises (the "Easement") to HALEY LAND COMPANY, a California general partnership ("Haley Land"), by that certain (i) Easement Agreement dated as of October 12, 1983 ("Easement Agreement") by and between Richard Godkin and Devon Godkin, husband and wife ("Godkin") and Haley Land and (ii) Grant Deed from Godkin to Haley Land recorded October 26, 1983 as instrument number 83-57475 (the "Easement Deed").

C. The Easement and the Easement Agreement have not been amended or modified.

D. PathPoint, a California non-profit public benefit corporation ("Easement Holder"), is the current holder of the Easement.

E. Easement Holder is in the process of completing an assignment of the Easement and Easement Agreement from Easement Holder to the County of Santa Barbara, a political subdivision of the State of California ("Purchaser").

**NOW, THEREFORE**, City certifies and acknowledges as follows, all as of the Effective Date:

1. *Status.* City: (a) has succeeded to the entire interest of the Godkins under the Easement Agreement; (b) has not conveyed, mortgaged, or assigned City's interest in the Easement Agreement or Easement; and (c) has not agreed to do so.

2. *Prior Assignments.* To City's knowledge, Easement Holder holds the entire interest in the Easement under the Easement Agreement. City has received no written notice that Easement Holder has assigned the Easement or Easement Agreement, except to Purchaser.

3. *Full Force and Effect.* To City's knowledge, the Easement and Easement Agreement: (a) are in full force and effect; (b) have not been amended, cancelled, supplemented, surrendered, or terminated except as this Certificate states; and (c) contain the entire agreement between City and Easement Holder (and any parties related to either of them) about the Easement and the Easement Agreement.

4. *No Easement Holder Default.* To City's knowledge, Easement Holder is not in default under the Easement or the Easement Agreement, nor has any event occurred that, with passage of time or giving of notice or both, would constitute such a default. City has given Easement Holder no notice of

any uncured default. There are no legal proceedings pending (or threatened) against Easement Holder by City.

5. *No Termination.* City has no present right to terminate the Easement or Easement Agreement. City has neither given nor received any notice of termination of the Easement or Easement Agreement.

6. *Payments.* Easement Holder is current in payment of rent through and including the payment that was due on \_\_\_\_\_, 2024. City holds no security deposit, prepaid rent, or other funds of any kind for the Easement Agreement, except for last months' rent in the amount of \$1,200.

7. *City Consent to Transfer.* City hereby consents to the transfer of Easement Holder's entire interest under the Easement and the Easement Agreement to Purchaser.

8. *Dates.* The "Commencement Date" of the Easement and Easement Agreement was September 20, 1983. The expiration date of the initial term of the Easement and the Easement Agreement was September 19, 2015. The Easement Holder was granted two (2) successive options ("Extension Options") to extend the Term of the Easement and the Easement Agreement. on the same terms and conditions as those set forth in the Easement Agreement, each for a ten (10) year period (for a total of twenty (20) years. Both Extension Options were properly exercised and the Term has been extended to and will expire on September 19, 2035.

9. *Rent Adjustment.* The rent under the Easement Agreement was last adjusted in November 2022. After such adjustment, such rent is currently \$ 3,953.51 per month. The rent will next be adjusted in November 2025.

10. *No City Default.* To City's knowledge, City is not in default under the Easement Agreement. City has received from Easement Holder no notice of default under the Easement Agreement that has not been cured.

11. *Copy of Easement Agreement.* Attached as **Exhibit A-1 and A-2** is a true and complete copy of the Easement Agreement and the Easement Deed, respectively.

*Signatures Appear on Attached Page*

This Certificate is made and delivered as of the Effective Date. This Certificate may be relied upon by Purchaser, its Lender, the successors and assigns of each and any title insurance company.

“City”

City of Santa Barbara, a municipal corporation

By: \_\_\_\_\_

\_\_\_\_\_  
Name

Its Authorized Person

Exhibit A-1

Copy of Easement Agreement

Exhibit A-2

Copy of Easement Deed

**EXHIBIT "J"**

**RECORDING REQUESTED BY**  
\_\_\_\_\_ Title Insurance Company

**AND WHEN RECORDED RETURN TO**  
County of Santa Barbara

\_\_\_\_\_  
\_\_\_\_\_

---

**ASSIGNMENT OF EASEMENT AND EASEMENT AGREEMENT**  
(PORTION OF APN 037-192-012)

This Assignment of Easement and Easement Agreement ("Assignment") is dated for reference purposes as of \_\_\_\_\_ and is made and entered into by and between PATHPOINT, a California non-profit public benefit corporation ("Assignor") and the COUNTY OF SANTA BARBARA, a political subdivision of the State of a California.

**RECITALS**

A. Assignor is the owner of that certain improved real property situated in the City and County of Santa Barbara, State of California, and commonly known as 315 West Haley Street, Santa Barbara CA (APN 037-192-001) (the "Property").

B. Assignor was granted an easement (the "Easement") over a portion of the real property adjacent to the Property and commonly known as 319 West Haley Street, Santa Barbara, CA (APN 037-192-012) (the "Adjacent Property") pursuant to (i) that certain Easement Agreement dated as of October 12, 1983 (the "Easement Agreement") by and between Richard Godkin and Devon Godkin, husband and wife ("Godkin") and HALEY LAND COMPANY, a California general partnership and (ii) and that certain Grant Deed from Godkin to HALEY LAND COMPANY, a California general partnership recorded October 26, 1983 as instrument number 83-57475 (the "Easement Deed"). The Easement is (i) appurtenant to the Property and (ii) legally described on Exhibit "A" attached hereto and incorporated herein by reference.

B. The Easement was assigned to Assignor by Haley Land Company pursuant to that certain Assignment of Easement and Easement Agreement dated October 1, 2007, and recorded October 10, 2007 as instrument number 2008-0071969.

C. Assignor now desires to assign to Assignee, and Assignee now desires to acquire from Assignor, Assignor's right, title and interest in, to and under the Easement and the Easement Agreement.



NOW, THEREFORE, the parties hereto hereby agree as follows:

1. **Assignment.** Effective as of the date of recordation of this Assignment in Official Records of the County of Santa Barbara (“Effective Date”), Assignor hereby assigns, grants, sells, delivers, transfers and conveys to Assignee all of Assignor’s right, title and interest in, to and under the Easement and the Easement Agreement, including all improvements located thereon. Assignor shall indemnify, defend and hold Assignee harmless from and against any and all liabilities, costs, claims, losses, and expenses (including reasonable attorneys’ fees) incurred by Assignee arising out of or resulting from the breach or default by Assignor or its predecessors of any of the obligations, terms and/or covenants of the Easement Agreement arising or accruing prior to the Effective Date.

2. **Assumption.** Assignee hereby accepts the foregoing assignment and assumes and agrees in favor of Assignor to perform all of the obligations of Assignor under the Easement Agreement accruing or arising as of or after the Effective Date. Assignee shall indemnify, defend and hold Assignor harmless from and against any and all liabilities, costs, claims, losses, and expenses (including reasonable attorneys’ fees) incurred by Assignor arising out of or resulting from the breach or default by Assignee of any of the obligations, terms and/or covenants of the Easement Agreement arising or accruing on or after the Effective Date.

3. **Further Assurance.** At any time or from time to time upon the request of a party, the other party shall execute such additional documents and instruments, and shall do such additional acts and things as the requesting party may reasonably request in order to fully effectuate the purposes of this Assignment.

4. **Counterpart Execution.** This Assignment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

5. **Governing Law.** This Assignment shall be construed and enforced in accordance with the laws of the State of California, without regard to principles of conflict of law.

*[Signatures on Following Page]*

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment effective as of the Effective Date.

**“Assignor”**

**PATHPOINT,**

a California non-profit public benefit corporation

By: \_\_\_\_\_

Henry Bruell, President/CEO

**“Assignee”**

**COUNTY OF SANTA BARBARA,**

a political subdivision of the State of a California

By: \_\_\_\_\_

Its: \_\_\_\_\_

**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name of notary)

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

Exhibit A  
Legal Description of the Easement

A non-exclusive easement for ingress, egress, parking and incidental purposes, over, under, across and through that certain parcel as set forth in that certain Easement Agreement, under the terms and conditions set forth therein, dated, October 12, 1983, executed by Richard Godkin and Devon Godkin and Haley Land Company, a General Partnership, reference to which is made by that certain Easement Grant Deed, dated October 12, 1983 recorded October 26, 1983 as Instrument No. 83-57475 of Santa Barbara County and more particularly described as follows:

That portion of Santa Barbara City Block 253, in the City of Santa Barbara, County of Santa Barbara, State of California, according to the official map thereof, lying within the parcels described in the Deeds to the State of California, recorded September 17, 1958 as Instrument No. 22520 in Book 1555, Page 247 of Official Records; and recorded March 1, 1954 as Instrument No. 3547 in Book 1220, Page 287 of Official Records, in the office of the County Recorder of said County, described as follows:

Commencing at a point on the southeasterly line of Haley Street distant thereon 198 feet Southwesterly from the most Northerly corner of said block, said point being the most Northerly corner of that parcel of land deeded to the State of California by Deed recorded September 17, 1958 as Instrument No. 22520, in Book 1555, Page 247 of Official Records, said point being also the

Westerly corner of the property described in deed to Liselotte Marie MacFarlane, recorded March 25, 1949 as Instrument No. 3855, in Book 845, Page 262 of Official Records; thence South 48°30'00" East along the Southwesterly line of said MacFarlane property, 10.00 feet to the true point of beginning; thence continuing South 48°30'00" East along the Southwesterly line of said MacFarlane property, 213.68 feet to the Southerly corner thereof; thence South 41°30'00" West, 98.10 feet to a point on the "State of California Division of Highways right of way fence (District 05-SB-101)"; thence North 28°50'27" West 227.73 feet along said fence to a point, thence, North 43°33'35" East, 21.51 feet to the true point of beginning.

**EXHIBIT “K”**

**New Lease**

LEASE

This Lease, dated for reference purposes only as of \_\_\_\_\_, 2024 (the “Lease”), is made by and between the COUNTY OF SANTA BARBARA, a political subdivision of the State of a California (“Landlord”), and PATHPOINT, a California non-profit public benefit corporation (“Tenant”).

TERMS

- A. This Lease is delivered pursuant to that certain Real Property Purchase Agreement dated \_\_\_\_\_, 2024 (as amended, the “Purchase Agreement”) by and between Landlord as County and Tenant as Owner.

For good and valuable consideration received by each party from the other, the parties covenant and agree as follows:

1. PREMISES; LEASE

(a) Premises.

Landlord hereby leases to Tenant that certain improved real property, including the building (“Building”) and all improvements thereon and commonly known as 315 W. Haley Street, including all Suites, other than Suite 101, Santa Barbara, CA, described as first and second floor office space and including all unreserved parking spaces located on 319 W. Haley Street, Santa Barbara, CA [except for 2 reserved and 1 unreserved spaces for Suite 101] (collectively, the “Premises”).

(b) Lease of Premises.

Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord.

2. TERM

(a) Term.

The term of this Lease (the “Term”) shall commence on the Close of Escrow (as defined in the Purchase Agreement) (the “Commencement Date”), and ending at 11:59 p.m. on December 31, 2024, unless sooner terminated or extended pursuant to the terms hereof; provided, however, and notwithstanding anything to the contrary contained herein, Tenant shall have the right during the Term to terminate the Lease upon not less than thirty (30) days prior written notice to the Landlord.

(b) Option to Extend

Tenant shall have the right to extend the Term for three (3) periods of one (1) month each (an “Option Term”), by providing Landlord with not less than ten (10) days prior written notice of Tenant’s election prior to the date the applicable Option Term would commence. The terms, conditions and provisions of the Lease shall apply during each Option Term.

3. RENT; SECURITY DEPOSIT

(a) Rent.

Tenant shall pay to Landlord the net annual rent (the “Rent”) in equal monthly installments, in advance, on the first day of each calendar month of the Lease Term in the amount of [\$9,500.00] per month.

(b) Security Deposit.

No security deposit shall be required.

4. TAXES AND ASSESSMENTS

(a) Real Property Taxes

Tenant shall pay prior to delinquency all real property taxes, assessments, impositions, levies and charges of every kind, which shall, during the term of this Lease, be assessed against the Premises.

(b) Personal Property Taxes

Tenant shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings and all other personal property of Tenant located on the Premises.

5. SERVICES AND UTILITIES

Tenant shall make arrangements for delivery to the Premises of any gas, electrical power, water, sewer, telephone and other utility services and any cleaning, trash and maintenance services as Tenant deems necessary or desirable for its operations during the Term (collectively, “Services”). Tenant shall promptly pay all charges for utility and other services contracted by Tenant to be delivered to or used upon the Premises during the Term and shall be responsible for providing such security deposits, bonds or assurances as may be necessary to procure such services.

6. MAINTENANCE AND REPAIR

(a) Present Condition.

Tenant accepts the Premises in their “as-is” and with “all faults” condition.

(b) Tenant’s Obligations.

Except as provided in (c) below, Tenant at its expense shall take good care of the Premises, the landscaping, and shall keep the same in the same order and condition as on the Commencement Date, except for ordinary wear, tear and damage by fire or other casualty.

(c) Landlord’s Obligations.

Landlord shall be responsible for (i) necessary repairs and replacement of the Structural Parts and Building Systems (as hereafter defined) of the Building, except if same shall be necessitated by the

negligence, willful act or breach of the Lease by Tenant or Tenant's Representatives; and (ii) any repairs or replacements resulting from the negligence, willful act or breach of Lease by Landlord or any of Landlord's Representatives. Tenant shall promptly give notice to Landlord of the necessity for any repair or replacement for which Landlord is responsible hereunder. As used herein, the term (i) "Structural Parts" shall mean the roof, the roof membrane roof covering (including interior ceiling if damaged by leakage), exterior walls (except for windows), load bearing walls and floor slabs and masonry walls, structural support beams, the foundation of the Building and the utility piping and conduit from the street up to the building including the meters and (ii) "Building Systems" shall mean, to the extent they exist, the mechanical, gas, utility, electrical, sanitary, HVAC, elevator, plumbing, sprinkler, cabling and wiring, telecommunication, emergency generation, life-safety and other service systems of the Building.

## 7. USE; COMPLIANCE WITH LAWS

(a) Permitted Uses.

Tenant may use and occupy the Premises for offices and other related uses (collectively the "Intended Use").

(b) Omitted.

(c) Obligations of Tenant.

Tenant, at its cost and expense, shall promptly comply with the following, as same may be amended or superseded from time to time, every statute, law, ordinance, code, regulation, order, permit, approval, license, judgment, restriction or rule of any Governmental Authority or any other public or quasi-public body, agency, court, department, bureau, or authority having jurisdiction over the Premises (collectively, the "Legal Requirements"), becoming applicable to the Premises after the Commencement Date and which shall be applicable to the particular use of the Premises by Tenant (as opposed to the ordinary use thereof by any tenant).

(d) Landlord's Obligations.

Landlord, at its cost and expense, shall promptly comply with all Legal Requirements applicable to the Premises, except for compliance which is Tenant's obligation under subsection (c) above.

## 8. ALTERATIONS

Tenant may make structural alterations, improvements and additions (collectively, "Alterations") to the Premises with Landlord's prior consent or approval, which consent or approval shall not be unreasonably withheld, conditioned or delayed. All Alterations made by Tenant shall be made at Tenant's sole cost and expense, including all costs and expenses incurred in obtaining any required governmental consents, permits or approvals. Tenant may perform all Alterations with contractors and subcontractors of Tenant's own choosing. Landlord will cooperate with Tenant's efforts to obtain any governmental permits or approvals or consents required therefor. Tenant shall have no obligation to remove any of the Alterations at the expiration or sooner termination of the Lease; provided, however, Tenant, at its option, may remove any such Alterations at its cost and expense and shall repair any damage caused by such removal.

## 9. SIGNAGE

Tenant, at its expense and subject to its obtaining any required governmental permits and approvals and Landlord's prior consent not to be unreasonably withheld, may place, maintain, repair and replace signage on the Premises, which may include any such trade name(s) or corporate affiliations as Tenant chooses. Landlord hereby approves the signage existing as of the Commencement Date.

## 10. OMITTED

## 11. OMITTED

## 12. LIENS AND MORTGAGES

### (a) Liens.

Neither Landlord nor Tenant shall permit to be created nor to remain undischarged any lien, encumbrance or charge arising out of any work claim of any contractor, mechanic or laborer or material supplied by a materialman to Landlord or Tenant which might be, or become, a lien or encumbrance or charge upon the Premises. If any lien or notice of lien on account of an alleged debt of Landlord or Tenant or any notice of contract by a party engaged by Landlord or Tenant or Landlord's or Tenant's contractor to work in the Premises shall be filed against the Premises, the responsible party shall, within 30 days after notice of the filing thereof, cause the same to be discharged of record by payment, deposit or bond. Landlord hereby waives any contractual, statutory or other Landlord's lien on Tenant's furniture, fixtures, supplies, equipment, inventory and Tenant's Property.

### (b) Non-Disturbance.

Tenant agrees upon request of Landlord to subordinate this Lease and Tenant's rights hereunder to the lien of any mortgage, deed of trust or other voluntary hypothecation arising out of any security instrument duly executed by Landlord charged against the Premises, or any portion or portions thereof, and Tenant shall execute at any time and from time-to-time such documents as may be reasonably required to effectuate such subordination; provided, however, that Tenant shall not be required to effectuate any such subordination or other document hypothecating any interest in the Premises unless the mortgagee or beneficiary named in such mortgage or deed of trust shall first enter into a customary and reasonable subordination, non-disturbance and attornment agreement.

## 13. INSURANCE

### (a) Building Insurance.

Throughout the Term, Tenant, at its sole cost and expense, shall keep the buildings and improvements included in the Premises insured for the "**full replacement value**" thereof against loss or damage by perils customarily included under standard "**all-risk**" policies, naming Landlord as loss payee. Tenant shall cause such policy of insurance to contain language whereby the same will not be canceled without at least 30 days prior written notice to Landlord. On written request by Landlord, Tenant shall deliver to Landlord certificates of insurance, showing that the insurance required to be maintained pursuant to the foregoing provisions of this Section is in force and will not be modified or canceled without 30 days prior written notice being furnished to Landlord. Thereafter, not less than 30 days prior to the expiration or termination of each such policy, Tenant shall furnish to Landlord certificates showing renewal of, or substitution for, policies which expire or are terminated.



(b) Tenant's Liability Insurance.

Throughout the Term, Tenant shall maintain commercial general liability insurance, including a contractual liability endorsement, and personal injury liability coverage in respect of the Premises and the conduct or operation of business therein, with Landlord as an additional insured, with limits of not less than \$1,000,000.00 combined single limit for bodily injury and property damage liability in any one occurrence. Tenant shall endeavor to cause each such policy of insurance to contain language whereby the same will not be canceled without at least 30 days prior written notice to Landlord. On written request by Landlord, Tenant shall deliver to Landlord certificates of insurance, showing that the insurance required to be maintained pursuant to the foregoing provisions of this Section is in force and will not be modified or canceled without 30 days prior written notice being furnished to Landlord. Thereafter, not less than 30 days prior to the expiration or termination of each such policy, Tenant shall furnish to Landlord certificates showing renewal of, or substitution for, policies which expire or are terminated. Anything in this Lease to the contrary notwithstanding, Tenant shall not be obligated to reimburse Landlord for the cost of any insurance procured by or on behalf of Landlord.

(c) Waiver of Subrogation.

A party shall have no claim against the other or the employees, officers, directors, managers, agents, shareholders, partners or other owners of the other for any loss, damage or injury which is covered by insurance carried by such party and for which recovery from such insurer is made, notwithstanding the negligence of either party in causing the loss.

#### 14. INDEMNIFICATION

(a) Indemnification by Tenant.

Except as may otherwise be provided in this Lease, Tenant shall indemnify and hold harmless Landlord and Landlord's employees, officers, directors, managers, agents, shareholders, partners or other owners (collectively, "Landlord's Representatives") from and against any and all third-party claims arising from or in connection with: (i) the conduct or management of the Premises or of any business thereon, or any condition created in or about the Premises during the term of this Lease, unless created in whole or in part by Landlord or any person or entity acting at the instance of Landlord; (ii) any act, omission or negligence of Tenant or any of its subtenants or licensees or its or their employees, officers, directors, managers, agents, shareholders, partners or other owners, invitees or contractors (collectively, "Tenant's Representatives"), during the term of this Lease; and (iii) any accident or injury or damage whatsoever, not caused by Landlord or Landlord's Representatives occurring in, at or upon the Premises, during the term of this Lease. Tenant shall have the right to assume the defense of any such third-party claim with counsel chosen by Tenant or by Tenant's insurance company. Tenant shall not be responsible for the fees of any separate counsel employed by Landlord. Landlord hereby waives any claim for consequential damages and claims covered by Landlord's insurance.

(b) Indemnification by Landlord.

Except as may otherwise be provided in this Lease, Landlord shall indemnify and hold harmless Tenant and Tenant's Representatives from and against any and all third-party claims arising from or in connection with: (i) any default by Landlord or Landlord's Representatives in the observance or performance of any of the terms, covenants or conditions of this Lease on Landlord's part to be observed or performed; (ii) any acts, omissions or negligence of Landlord or Landlord's Representatives in or about the Premises either prior to, during, or after the expiration of the Term; and (iii) any accident or injury or damage whatsoever, caused by Landlord or any person or entity acting at the instance of the Landlord

occurring in, at or upon the Premises. If any action or proceeding shall be brought against Tenant or Tenant's Representatives based upon any such claim, Landlord, upon notice from Tenant, shall cause such action or proceeding to be defended at Landlord's expense by counsel reasonably satisfactory to Tenant, without any disclaimer of liability by Landlord in connection with such action or proceeding. Tenant hereby waives any claim for consequential damages and claims covered by Tenant's insurance.

15. OMITTED

16. ENVIRONMENTAL MATTERS

(a) Omitted.

(b) Landlord shall indemnify, defend and hold harmless Tenant and Tenant's Indemnitees, and any assignees, subtenants or successors to Tenant's interest in the Premises, their directors, officers, employees, and agents, from and against any and all losses, claims, suits, damages (including consequential damages), judgments, penalties, and liability (including, without limitation, all out-of-pocket litigation costs and reasonable attorneys' fees) directly or indirectly arising out of the presence, use, generation, storage, release, threatened release or disposal of Hazardous Materials on, in, under, to or from the Premises before or after the Commencement Date by or due to the actions or omissions of any person(s) or entity(ies) other than Tenant, and as to Tenant, only for actions or omissions first occurring on or after the Commencement Date.

(c) Tenant shall indemnify, defend and hold harmless Landlord and Landlord's Indemnitees and assignees or successors to Landlord's interest in the Premises, their directors, officers, employees, and agents from and against any and all losses, claims, suits, damages (including consequential damages), judgments, penalties and liability (including, without limitation, all out-of-pocket litigation costs and reasonable attorneys' fees) directly or indirectly arising out of the presence, use, generation, storage, release or threatened release or disposal of Hazardous Materials, first occurring on or after the Commencement Date, on, in, under or from the Premises by Tenant, its agents and contractors. For the avoidance of doubt, Tenant shall have no obligation under this Section 16.(c) arising out of the presence, use, generation, storage, release or threatened release or disposal of Hazardous Substances on, in or under the Premises, first occurring prior to the Commencement Date. As used in this Lease, the term "Landlord's Indemnitees" shall mean Landlord's employees, officers, directors, managers, agents, shareholders, partners or other owners, and "Tenant's Indemnitees" shall mean Tenant's employees, officers, directors, managers, agents, shareholders, partners or other owners.

(d) For the purpose of this Article, Hazardous Materials shall include but not be limited to substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et. seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et. seq.; the common law; and any and all state, local or federal laws, rules, regulations and orders pertaining to environmental, public health or welfare matters, as the same may be amended or supplemented from time to time (collectively, the "**Environmental Laws**"). Any terms mentioned in this Lease which are defined in any applicable Environmental Laws shall have the meanings ascribed to such terms in such laws, provided, however, that if any such laws are amended so as to broaden any term defined therein, such broader meaning shall apply subsequent to the effective date of such amendment.

17. DAMAGE AND DESTRUCTION

In case of damage to or destruction of the Premises or any part thereof by any cause whatsoever, if, in Tenant's reasonable opinion, Tenant cannot continue the operation of its business in the same manner as prior to such damage or destruction, Tenant by a written notice to Landlord may terminate this Lease unless Landlord, within twenty (20) days following such damage or destruction, has agreed to reconstruct the Premises and thereafter diligently completes such reconstruction within a reasonable period of time as determined in Tenant's sole discretion. Following such damage or destruction and unless and until the termination of this Lease, this Lease shall remain in full force and effect and Tenant shall continue the operation of its business at the Premises if and to the extent the Tenant determines, in Tenant's good faith judgment, that it is reasonably practical to do so. If Landlord agrees to reconstruct the Premises and Tenant does not terminate the Lease on account of such damage or destruction as aforesaid (a) Landlord shall abate and forgive Rent payments which become due from the time of such damage or destruction through the course of the reconstruction to reflect the extent to which Tenant does not conduct its business operation at the Premises; (b) the Term shall continue and the parties shall continue to be bound by this Lease; and (c) Landlord shall commence such reconstruction as soon as possible and diligently prosecute such reconstruction through completion.

## 18. CONDEMNATION

### (a) Notice.

Landlord and Tenant shall each notify the other if it becomes aware that there will or might occur a taking of any portion of the Premises by condemnation proceedings or by exercise of any right of eminent domain (each, a "Taking").

### (b) Termination of Lease.

In the event of the Taking of the entire Premises, this Lease shall terminate as of the date of such Taking. If there occurs a Taking of (i) a portion of the Premises such that the remainder of the Premises shall not, in Tenant's reasonable opinion, be adequate and suitable for the conduct of Tenant's business as conducted prior to such Taking, or (ii) more than ten (10%) percent of the parking area of the Premises, then Tenant may, at its option, terminate this Lease by notice to Landlord.

### (c) Continuation of Lease.

If there is a Taking of a portion of the Premises and this Lease is not terminated pursuant to subsection 18(b) hereof, then this Lease shall remain in full force and effect, except that appropriate adjustments shall be made to, and in respect of, the Premises and Rent, and Landlord shall proceed with due diligence to perform any work necessary to restore the remaining portions of the Premises to the condition that they were in immediately prior to the Taking, or as near thereto as possible.

### (d) Condemnation Award.

Any award or compensation arising out of such taking shall belong to and be paid to Landlord except with respect to any separate award made to Tenant for its, leasehold improvements, fixtures, loss of goodwill, relocation and other expenses pursuant to a separate independent action taken by Tenant against the condemning authority.

## 19. DEFAULT

(a) Tenant Default.

It shall constitute an “Event of Default” if Tenant shall fail to perform or comply with any term of this Lease, including the payment of Rent, and such failure shall in the case of a default in the payment of Rent continue for a period of five (5) business days (or 30 days for all other defaults) after Tenant’s receipt of written notice thereof from Landlord specifying such failure and requiring it to be remedied; provided, however, that if any such failure, other than the failure to pay Rent, cannot with due diligence be remedied by Tenant within a period of 30 days, if Tenant commences to remedy such failure within such 30 day period and thereafter prosecutes such remedy with reasonable diligence, the period of time for remedy of such failure shall be extended so long as Tenant prosecutes such remedy with reasonable diligence.

(b) Landlord’s Remedies.

In the event of any such Event of Default, Landlord shall have the right at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such Event of Default, and while such Event of Default shall continue, to:

1. Terminate Tenant’s right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant’s default including, but not limited to, the cost of recovering possession of the Premises, expenses of reletting, and the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent from the occurrence of the breach through the balance of the term after the time of such award exceeds the amount of such rental loss for the same period that Tenant proves could be reasonably avoided.
2. Maintain Tenant’s right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event, Landlord shall be entitled to enforce all of Landlord’s rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder.
3. Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State of California.

(c) Landlord’s Default.

Landlord shall be deemed in default of this Lease (a “Landlord Default”) if Landlord fails to perform any term, covenant or condition of Landlord under this Lease and fails to cure such default within a period of 30 days after notice from Tenant specifying such default. Notwithstanding the foregoing, if such failure cannot with due diligence be remedied by Landlord within a period of 30 days, and if Landlord commences to remedy such failure within such 30-day period and thereafter diligently prosecutes such remedy with reasonable diligence, the period of time for remedy of such failure shall be extended for an additional 30 days. In addition, Tenant shall have the right, but not the obligation, to pay any amounts and cure any Landlord Default, and do all necessary work necessitated by a Landlord Default. Landlord shall pay to Tenant the amount so paid by Tenant. Additionally, Tenant may deduct the amount of such expenditures or advanced costs from all Rent. The foregoing remedies are in addition to any remedies that Tenant may have in law or in equity.

20. QUIET ENJOYMENT; SURRENDER; HOLDOVER

(a) Quiet Enjoyment.

Upon Tenant paying the Rent and observing and performing all the terms, covenants and conditions on Tenant's part to be observed and performed, Tenant may peaceably and quietly enjoy the Premises hereby demised, free from any interference, molestation or acts of Landlord or anyone claiming by, through or under Landlord, subject, nevertheless, to the terms and conditions of this Lease.

(b) Surrender.

At the end of the Term or upon termination of this Lease, whichever first occurs, Tenant shall quit and surrender possession of the Premises to Landlord broom clean, in the same order, condition and repair as on the Commencement Date, except for ordinary wear, tear and damage by fire or other casualty, and except for obligations of Landlord, together with all improvements and Alterations which have been made upon the Premises.

(c) Holdover.

If Tenant remains in possession of the Premises after the end of the Term, then Tenant shall be deemed to be a tenant from month to month only, under all of the same terms and conditions of this Lease then in effect, except as to the duration of the Term. Tenant shall pay Landlord monthly rent for such time as Tenant remains in possession without Landlord's consent at the following rates: Tenant shall be obligated to pay 125% of Rent payable during the final month of the Term until such time as Tenant vacates the Premises.

## 21. ASSIGNMENT AND SUBLETTING

Tenant shall not assign this Lease or sublet the Premises without the Landlord's prior written consent, which consent, however, shall not be unreasonably withheld nor delayed. The failure of Landlord to respond in writing within 15 days to any written requires by Tenant for such consent shall be deemed to be Landlord's consent to such assignment or sublease.

## 22. ACCESS

Landlord or Landlord's agents shall have the right to enter the Premises at all times for any of the purposes specified in this Lease and to: (i) examine the Premises or for the purpose of performing any obligation of Landlord or exercising any right or remedy reserved to Landlord in this Lease; (ii) exhibit the Premises to a prospective purchaser, mortgagee or ground lessor of the building, and during the last three (3) months of the Term to exhibit the Premises to prospective tenants; (iii) make such repairs, alterations, improvements or additions or to perform such maintenance, including the maintenance of all base building systems, as Landlord may deem necessary or desirable; and (iv) take all materials into and upon the Premises that may be required in connection with any such repairs, alterations, improvements, additions or maintenance. Notwithstanding the foregoing, except in emergencies hereunder all entries by Landlord under this Section shall be (x) at reasonable times and after at least 24 hours' prior oral or written notice to Tenant, (y) conducted so as not to unduly interfere with Tenant's use and occupancy of the Premises and (z) subject to Tenant's reasonable security and confidentiality requirements from time to time (including the accompaniment of a Tenant representative if necessary in Tenant's sole discretion).

## 23. BROKERAGE

Tenant and Landlord represent to each other that in the negotiation of this Lease it dealt with no real estate broker or salesman. Each party shall indemnify the other and hold it harmless from any and all

losses, damages and expenses arising out of any inaccuracy or alleged inaccuracy of the above representations by the indemnitor, including court costs and attorneys' fees.

24. OMITTED

25. LEASE STATUS AND NOTICE

(a) Tenant Estoppel.

Within 20 days after receipt of notice from Landlord, Tenant will execute and deliver to Landlord, an instrument prepared by Landlord stating, if the same be true, that this Lease is a true and exact copy of the lease between the parties hereto; there are no amendments hereof (or stating what amendments there may be); the same is then in full force and effect; to the best of Tenant's knowledge, there are then no offsets, defenses or counterclaims with respect to the payment of rent reserved hereunder or in the performance of the other terms, covenants and conditions hereof on the part of Landlord or Tenant to be performed; that as of such date no default has been declared hereunder by either party hereto and that Tenant at the time has no knowledge of any facts or circumstances which it might reasonably believe would give rise to a default by either party.

(b) Landlord Estoppel.

Within 20 days after receipt of notice from Tenant, Landlord will execute and deliver to Tenant, an instrument prepared by Tenant stating, if the same be true, that this Lease is a true and exact copy of the lease between the parties hereto; there are no amendments hereof (or stating what amendments there may be); the same is then in full force and effect; that as of such date no default has been declared hereunder by either party hereto and that Landlord at the time has no knowledge of any facts or circumstances which it might reasonably believe would give rise to a default by either party; and such other information as may reasonably be requested by Tenant or a party with whom Tenant may be dealing.

(c) Notices.

Any notice, demand, consent, approval, direction, agreement or other communication required or permitted hereunder or under any other documents in connection herewith shall be in writing and shall be delivered as provided in Section 14 of the Purchase Agreement.

27. MISCELLANEOUS

(a) Governing Law.

This Lease shall be governed by and construed in accordance with the laws of the State of California.

(b) Consents and Approvals.

If, pursuant to any provision of this Lease, the consent or approval of either party is required to be obtained by the other party, then, unless otherwise provided herein, the party whose consent or approval is required shall not unreasonably withhold, condition or delay such consent or approval.

(c) Rights and Remedies.

All rights and remedies of either party expressly set forth herein are intended to be cumulative and not in limitation of any other right or remedy set forth herein or otherwise available to such party at law or in equity. Notwithstanding the foregoing, in no event shall either party be liable to the other for consequential or punitive damages.

(d) No Waiver.

The failure of either party to seek redress for a breach of, or to insist upon the strict performance of any covenant or condition of this Lease, shall not prevent a subsequent act which would have originally constituted a breach from having all the force and effect of an original breach.

(e) Successors and Assigns.

Each and all of the terms and agreements contained herein shall be binding upon and inure to the benefit of the parties hereto, and their heirs, legal representatives, successors and assigns.

(f) Entire Agreement; Modifications.

This Lease contains the entire agreement between the parties concerning the matters set forth herein and may not be modified orally or in any manner other than by an agreement in writing signed by all the parties hereto or their respective successors in interest.

(g) Severability.

If any term or provision of this Lease or any application thereof shall be invalid or unenforceable, the remainder of this Lease and any other application of such term shall not be affected thereby.

(h) Omitted.

(i) Counterparts.

This Lease may be executed in any number of counterparts, each of which upon execution and delivery shall be considered an original for all purposes; provided, however, all such counterparts shall, together, upon execution and delivery, constitute one and the same instrument. A copy of this Agreement or an amendment hereto that is executed by a party (including by use of electronic signature software (*e.g.*, "DocuSign")) and transmitted by that party to the other party by facsimile or as an attachment (*e.g.*, in ".tif" or ".pdf" format) to an email or by use of an electronic signature software shall be binding upon the signatory to the same extent as a copy hereof containing that party's original signature.

(j) Ambiguities.

Any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not apply to the interpretation of this Lease or any amendments or exhibits hereto.

(k) Authority.

Each of Landlord and Tenant represents and warrants to the other that the individual executing this Lease on such party's behalf is authorized to do so.

(l) Attorneys' Fees.

In the event of any controversy arising under or relating to the interpretation or implementation of this Lease or any breach thereof, the prevailing party shall be entitled to payment for all reasonable costs and attorneys' fees (both trial and appellate) incurred in connection therewith.

(m) Further Assurances.

Each party shall execute and deliver such further documents, and perform such further acts, as may be reasonably necessary to achieve the parties' intent in entering into this Lease.

**[SIGNATURES APPEAR ON NEXT PAGE]**



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

“Landlord”

COUNTY OF SANTA BARBARA,  
a political subdivision of the State of a California

By: \_\_\_\_\_

Its: \_\_\_\_\_

“Tenant”

PATHPOINT,  
a California non-profit public benefit corporation

By: \_\_\_\_\_

Henry Bruell, President/CEO

**Schedule 6.a.**

**List of Litigation**

**NONE**

**Schedule 9.1.a**

**Property Information Sheet**

**See Attached**

**[To be prepared by Owner]**

4893-3002-5413, v. 1