

LEASE TERMINATION AGREEMENT

THIS LEASE TERMINATION AGREEMENT is made and entered into as of the effective date below by and between Levon Investments, LLC, a California limited liability company ("Lessor"), and County of Santa Barbara ("Lessee"), with reference to the following facts:

RECITALS:

A. J. Anthony Wilson, Trustee (Lessor's predecessor-in-interest) and Lessee entered into that certain Lease dated August 11, 2000, pursuant to which Lessee leased from Lessor certain real property known as 30 E. Figueroa Street, Second Floor, Santa Barbara, California (the "Lease"); and

B. Notwithstanding that the term of the Lease expires on September 30, 2010, Lessor and Lessee desire to terminate the Lease in accordance with the terms and conditions hereof.

AGREEMENTS:

NOW, THEREFORE, in consideration of the mutual covenants set forth below, the parties hereto, intending to become legally bound, hereby agree as follows:

1. TERMINATION OF LEASE

Subject to the terms of this Agreement, the Lease shall be terminated on or before July 9, 2010 (the "Termination Date"). Lessee agrees to deliver possession to the leased premises to Lessor on or before the Termination Date in its current condition and Lessor hereby agrees to accept the leased premises in such condition. Following the Termination Date, the rights and obligations of the parties under the Lease shall be governed as if the term of the Lease expired on the Termination Date.

2. HOLD HARMLESS

Lessee hereby agrees to pay and hold Lessor free and harmless from any and all claims or obligations whatsoever (a) owing to Lessor and arising out of the Lease prior to the Termination Date, including, without limitation, the payment of rent or other reimbursements owing pursuant to the terms of the Lease and attributable to the period prior to the Termination Date, subject to Lessee's right to reconciliation and reimbursement of Operating Costs pursuant to Section 4.2 of the Lease, if any, or (b) owing to persons other than Lessor and incurred by Lessee in connection with Lessee's rights under the Lease. Lessor and Lessee hereby intend that Lessor will incur no liability in any way as a result of Lessee's rights under this Lease prior to the Termination Date.

3. MUTUAL RELEASE

Except as provided in Section 2, above, upon the execution of this Agreement, Lessor and Lessee including Guarantors, if any, each hereby forever releases and discharges the other party, and the other party's partners, shareholders, agents, and employees from any and all claims, demands, causes of action, liabilities, expenses, attorneys' fees and damages of any nature whatsoever, at law or in equity, whether known or unknown, suspected or unsuspected, arising out of or related to the Lease from and after the Termination Date.

4. WAIVER OF CIVIL CODE SECTION 1542

Except as provided in Section 2, above, it is the intention of the parties hereto that the foregoing mutual release shall be effective to bar all actions, claims, liabilities, damages, demands or obligations of any nature or kind whether known or unknown, suspected or unsuspected. Each of the parties hereto expressly waives all rights and benefits conferred upon them by virtue of Section 1542 of the California Civil Code which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

5. PAYMENT TO LESSOR FOR TERMINATION

Upon execution of this Agreement, \$3,440.35 shall be deducted from the \$10,400.00 Security Deposit for unamortized Lessor expenses in connection with this Lease, including free rent period, real estate commissions, tenant improvement dollars provided, if any, or any other out of pocket expenses in connection with said Lease. The remaining balance of the Security Deposit, in the amount of \$6,959.65, shall be paid to Lessee by Lessor upon execution of this Agreement by Lessor. Additionally, Lessor has received the base rent for the month of July, 2010 in the amount of \$13,581.65 and operating expenses in the amount of \$2,978.00 which shall be retained by Lessor.

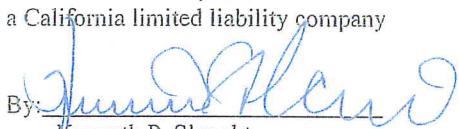
6. EFFECTIVE DATE

This Lease Termination Agreement shall be effective upon delivery of a fully executed copy to the Lessee.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease Termination Agreement as of the effective date set forth above.

"LESSOR"

Levon Investments, LLC
a California limited liability company

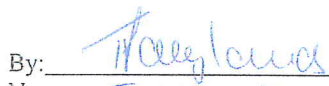
By: 
Kenneth P. Slaughter
Chief Executive Officer

Date: 7/8/10



"LESSEE"

County of Santa Barbara

By: 
Name: T. LANGRANAS
Title: ASSISTANT DIRECTOR

Date: 7/8/2010

Project: P&D 30 Figueroa Street
Lease Termination Agreement
Folio: 003302
APN: 039-282-035
Agent: Don Grady

IN WITNESS WHEREOF, County of Santa Barbara and Levon Investments, LLC have signed this Lease Termination Agreement by the respective authorized officers to be effective on the July 9, 2010.

"COUNTY"
COUNTY OF SANTA BARBARA

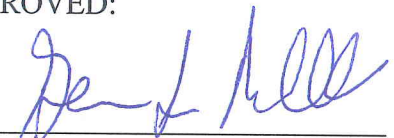
ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

By: _____
Chair, Board of Supervisors

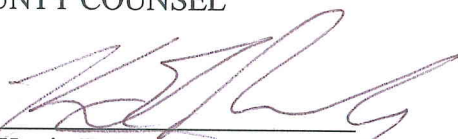
By: _____
Deputy

Date: _____

APPROVED:

By: 
Glenn Russell, Ph.D.
Director of Planning & Development


APPROVED AS TO FORM:
DENNIS MARSHALL
COUNTY COUNSEL

By: 
Kevin E. Ready, Sr.
Senior Deputy County Counsel


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

By: 
Deputy

APPROVED:

By: 
Ronn Carlentine, SR/WA
Real Property Manager

APPROVED:

By: 
Ray Aromatorio, ARM, AIC
Risk Program Administrator