

LICENSE AGREEMENT

Exclusive

THIS LICENSE AGREEMENT ("**Agreement**") is dated for reference purposes only, this 12th day of December, 2007 by and between PMB SANTA MARIA 116 S. PALISADE LLC, a Delaware limited liability company ("**Owner**"), COUNTY OF SANTA BARBARA ("**Licensee**"), and is based on the following facts:

A. Owner is the owner of the real property located at 116 South Palisade Drive, Santa Maria, California ("**Project**"). PMB Real Estate Services is Owner's agent ("**Agent**").

B. Licensee desires to use the Project for the purpose of storage ("**Use**").

The parties agree as follows:

1. **License.** Owner grants to Licensee the exclusive right to enter on the Project for access to the storage bins located on the Project's basement and labeled "BIN # B01" ("**License Area**"). The License is subject to the following rights, obligations, and restrictions.

1.1 This License is a private right and is intended only for the use of Licensee as stated in Section 1 License, above.

1.2 In its use of this License, Licensee shall comply with all rules, orders, summons, decrees, regulations, statutes, and ordinances of (i) any governmental or administrative body or agency having jurisdiction over the Project and (ii) the rules and regulations of Owner.

1.3 Any fees and/or related costs for permits and/or licenses required by any governmental or administrative agency in respect to the use of the License Area as herein described shall be the obligation of, and paid by, Licensee.

2. **Limitations.**

2.1 Licensee shall not record this Agreement in any office of the county recorder.

2.2 Licensee shall not assign or subgrant this License or any interest herein to any other party; any attempt to do so is void, and, in such event, Owner may elect to immediately terminate this License (without any prior notice).

2.3 This License is consensual and subject to the limitations set forth in this Agreement. At no time may Licensee or any party claiming under or through it claim any interest in the License Area adverse to the interest of Owner. Any attempt to do so is void and, in such event, Owner may elect to terminate this License (without prior notice).

2.4 This License is subject to all applicable laws, rules, ordinances and covenants, conditions and restrictions, and Owner reserves the right to terminate

this License, without notice, if necessary to comply with said applicable laws, rules, ordinances and covenants, conditions and restrictions.

3. **Consideration.** Licensee shall pay zero (\$0.00) as a monthly license fee, payable in advance on Licensee's execution of this License, payable in advance and on the first of each month thereafter for its use of the License Area.

4. **Term.** The term ("**Term**") of this License shall begin on March 1, 2008 and shall continue until February 28, 2013. Either party may terminate this License at any time without cause on thirty (30) days written notice to the other. If Licensee is in default in the prompt and full performance of any of its obligations under this License, Owner may elect to immediately terminate this License without any prior notice.

5. **Insurance.** Licensee shall, at its sole cost and expense, provide comprehensive general liability insurance, fully covering and indemnifying (1) Owner, (2) Owner's Agent., and (3) the officers, directors, members, shareholders, partners, principals, employees, agents, representatives and other related entities and individuals, of each of them, as additional insureds, against any and all claims arising from personal injury, death, and/or property damage occurring in or about the License Area during the period that the License herein granted exists. The initial limits of such insurance shall be at least \$2,000,000.00 combined single liability limit. Licensee shall, at its sole cost and expense, obtain workers' compensation insurance for the protection of its employees such as will relieve Owner of all liability to such employees for any and all accidents that may arise on or about, or in conjunction with, the License Area. All insurance required to be carried by Licensee shall be primary and noncontributory to any insurance carrier by Owner, regardless of the absence of negligence or other fault of Licensee for alleged injury, death and/or property damage. Each policy of insurance required to be carried by Licensee hereunder shall: (a) contain cross-liability and contractual liability endorsements, (b) provide that no cancellation or reduction in coverage shall be effective until thirty (30) days after written notice to Owner and Owner's lender, if any, and (c) be issued by an insurer licensed in California and reasonably approved by Owner, but the amount of such insurance shall not limit Licensee's liability, nor relieve Licensee of any obligation hereunder. Prior to the commencement of the Term, Licensee shall deliver a certificate evidencing all such insurance to Owner, and failure to do so shall automatically terminate this License.

6. **Indemnification and Hold Harmless.** Licensee shall indemnify, defend, and hold Owner, Owner's Agent and their, partners, members, shareholders, officers, employees, invitees, tenants, agents and guests harmless from any and all liabilities, losses, costs, charges, penalties, fines, obligations, expenses, attorneys fees, litigation, judgments, arbitration awards, damages, claims, demands of any kind whatsoever in connection with, arising out of or related to (i) any actual or alleged violation of any law, ordinance or regulation and/or (ii) any violation of this License by Licensee by reason of any injury or damage (however occurring) to any person or persons (including each of the parties named in this Paragraph 6) from any cause or causes whatsoever while in, on, about or in any way connected with the License Area, or any part thereof, or the use thereof, during the Term. If Licensee utilizes the Project for any other purpose or activity not expressly authorized by this License, this License and all Licensee's rights hereunder shall be terminated immediately, and Licensee shall be held liable for all damages and liability arising from its use of the Project.

7. **Nuisance.** Licensee shall not create a nuisance at the License Area or the Project or disturb tenants or occupants as a result of its use, and Licensee shall not allow any waste, damage or destruction to occur on the License Area or the Project. On termination or expiration of this License, Licensee shall restore the License Area to its original condition at its sole cost and expense.

8. **Security Deposit.** Not Applicable

9. **Attorney Fees.** If either party hereto defaults hereunder and a legal action is filed to enforced the terms hereof, the prevailing party in such action shall be entitled to recover from the other party its legal costs, including reasonable attorneys fees, incurred therein.

10. **Condemnation.** If the fee simple or any other temporary or permanent estate or interest in/or to all or any part of the License Area is taken for any public or quasi public use under any statute, by condemnation or by purchase in lieu of condemnation, the condemnation award shall be the sole property of Owner.

11. **No Public Right of Use.** Owner shall have the right to exclude all persons from any portion of the License Area and close portions of the License Area at any time and from time-to-time to prevent the use by the public or acquisition of prescriptive rights by the public or any person.

12. **Amendment.** This document may be amended only by a written document signed by both parties.

13. **Notices.** Any notice or demand that may be given pursuant to the provisions of the License shall be in writing and personally served on the other party hereto (or on its successors, legal representatives, heirs and assigns) by personal delivery or by first class mail, postage prepaid to the then current address of the addressee. Said delivery shall be deemed complete on personal delivery or after three business days have passed from the deposit of said notice in first class mail. On the inception of this License Agreement, the respective addresses for purposes hereof are at the end of this License. Either party (or any successor(s) to said party) may change the address from time to time by giving written notice thereof in compliance with this Paragraph 13.

14. **Entire Agreement.** This document contains the entire agreement of the parties and may not be amended except by a writing signed by both parties hereto (or by all of the respective successors, legal representatives, heirs and assigns of a party whose interest herein has been conveyed or otherwise transferred).

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↓ ***Signatures on the following page***

THE UNDERSIGNED PARTIES acknowledge and agree to the terms of this License Agreement.

"Owner"

PMB SANTA MARIA 116 S. PALISADE LLC,
a Delaware limited liability company

By: PMB Acquisition #1 Partners LLC,
a Delaware limited liability company,
Sole Member

By: PMB Founders LLC,
a California limited liability company,
Administrative Member

By: Pacific Medical Buildings LLC
a California limited liability company,
Manager

By: PMB, Inc.,
a California corporation,
Manager

By: _____
President

"Licensee"

COUNTY OF SANTA BARBARA

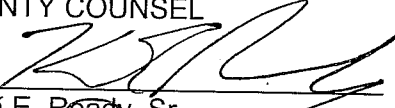
ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

By: _____

By: _____
Chair, Board of Supervisors

Date: _____

APPROVED AS TO FORM:
STEPHEN SHANE STARK
COUNTY COUNSEL

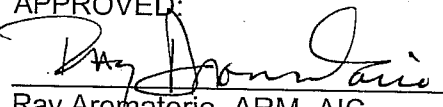
By: 
Kevin E. Ready, Sr.
Senior Deputy

APPROVED:

Ronn Carlentine, SR/WA
Real Property Manager

APPROVED AS TO FORM:
ROBERT GEIS, C.P.A.
AUDITOR-CONTROLLER

By: 
Deputy

APPROVED:

Ray Aromatorio, ARM, AIC
Risk Program Administrator