

**FIRST AMENDMENT TO THE FIRST AMENDED, RESTATED AND  
RENAMED COUNTY HOME LOAN AGREEMENT  
(PESCADERO LOFTS)**

**THIS FIRST AMENDMENT TO THE FIRST AMENDED, RESTATED AND RENAMED COUNTY HOME LOAN AGREEMENT** ("First Amendment") is made and entered into as of October 15, 2013 ("Effective Date") by and between the COUNTY OF SANTA BARBARA, a political subdivision of the State of California ("LENDER") and PESCADERO LOFTS ISLA VISTA, L.P., a California limited partnership ("BORROWER"), and amends the First Amended, Restated and Renamed County HOME Loan Agreement ("County HOME Loan Agreement") entered into by and between Lender and Borrower dated September 17, 2013, with reference to the following:

WHEREAS, Borrower and Lender desire to amend the County HOME Loan Agreement in order to allow Borrower to use County HOME Loan funds for Project costs such as (1) architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups and (2) costs to process and settle the financing for a project, such as private lender origination fees, credit reports, fees for title evidence, fees for recordation and filing of legal documents, legal documents, building permits, attorneys fees, private appraisal fees and fees for an independent cost estimate, builders or developers fees, as specified in 24 CFR 92.206(d) ("Related Soft Costs"); and

WHEREAS, Borrower and Lender desire to amend certain provisions of the County HOME Loan Agreement accordingly.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree to amend the County HOME Loan Agreement as follows:

1. A new Section 1.32 is added to the County HOME Loan Agreement to state as follows:

"CONSTRUCTION COSTS", whether such term appears in the Agreement in lower case or upper case, means Related Soft Costs and costs to (1) meet County new construction standards and the federal Model Energy Code, to (2) make utility connections including off-site connections from the Property line to the adjacent street, to (3) make improvements to the Project site that are in keeping with improvements of surrounding, standard projects, including on-site roads and sewer and water lines necessary to development of the Project, and to (4) construct laundry and community facilities which are located within the same building as the housing and which are for the use of the Project residents, pursuant to 24 CFR 92.206(a) ("Development Hard Costs") incurred by Borrower in connection with development of the Project and as more specifically identified in the Budget attached hereto as First Amendment to Exhibit B, which is incorporated into this County HOME Loan Agreement by reference."

2. Exhibit B. Exhibit B described in Section 1.5 of the County HOME Loan Agreement and elsewhere in the County HOME Loan Agreement is superseded and replaced in its entirety by First Amendment to Exhibit B attached hereto and incorporated in full herein by this reference.
3. Conflicts. In the event the terms of this First Amendment are inconsistent or in conflict with the terms of the County HOME Loan Agreement, the terms of this First Amendment shall govern.
4. Separate Counterparts. This First Amendment may be executed in two or more separate counterparts, each of which when so executed shall be deemed to be an original. Such counterparts shall, together, constitute and be one and the same instrument.
5. Except as set forth in Sections 1, 2, 3 and 4 above, this First Amendment shall not modify or change any of the provisions of the County HOME Loan Agreement and the parties to this First Amendment are bound by the provisions of the County HOME Loan Agreement, as amended herein.

*(Signatures Page Follows)*

IN WITNESS WHEREOF, County and Pescadero Lofts Isla Vista, LP have caused this First Amendment to the First Amended, Restated and Renamed County HIOME Loan Agreement to be executed by their respective duly authorized officers.

**ATTEST:**

CHANDRA L. WALLAR  
California  
Clerk of the Board

By: \_\_\_\_\_  
Deputy Clerk of the Board

**COUNTY:**

County of Santa Barbara,  
a political subdivision of the State of

By: \_\_\_\_\_  
Salud Carbajal, Chair  
Board of Supervisors

**APPROVED AS TO ACCOUNTING  
FORM:**

ROBERT W. GEIS  
AUDITOR-CONTROLLER

By: \_\_\_\_\_  
Advanced and Specialty Accounting

**BORROWER:**

Pescadero Lofts Isla Vista, L.P.,  
a California limited partnership

By: Surf Development Company, a California  
nonprofit public benefit corporation, its  
managing general partner

By: \_\_\_\_\_  
Alfred Holzheu  
President

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

By: Housing Authority of the County of Santa  
Barbara, a public body, corporate and  
politic, its administrative general partner

By: \_\_\_\_\_  
Frederick C. Lamont  
Executive Director

**APPROVED AS TO FORM**

DENNIS A. MARSHALL  
COUNTY COUNSEL

By: \_\_\_\_\_  
Deputy County Counsel

**APPROVED AS TO FORM**

RISK MANAGEMENT

By: \_\_\_\_\_  
Ray Aromatorio, ARM, AIC  
Risk Manager

**APPROVED**

By: \_\_\_\_\_  
Department Head

## First Amendment to Exhibit B

Construction Costs including Development Hard Costs and Related Soft Costs

Pescadero Lofts

Isla Vista

Units: 33

SF: 21,000

(Inc. Community Bldgs & Laundry)

Davis Bacon Prevailing Wage

	ESTIMATE	HOME FUNDED	EQUITY / CONST. LOAN
<b>GENERAL REQUIREMENTS</b>	\$ 50,000.00		\$ 50,000.00
GENERAL REQUIREMENTS			
<b>SWPPP</b>	\$ 5,000.00		\$ 5,000.00
MATERIALS & LABOR			
<b>EARTHWORK</b>	\$ 94,300.00	\$ 94,300.00	\$ -
EXCAVATION			
GRADING			
TRENCHING			
<b>SITEWORK</b>	\$ 172,875.00	\$ 172,875.00	\$ -
GRADING			
UTILITIES			
SITE CONCRETE			
MASONRY			
<b>ASPHALT</b>	\$ 72,725.00	\$ 72,725.00	\$ -
BASE			
PAVING			
GRINDING			
TACK			
STRIPING			
<b>PLUMBING</b>	\$ 403,351.00	\$ 403,351.00	\$ -
UNDER SLAB			
WASTE ABOVE GROUND			
WATER ABOVE GROUND			
STORM DRAIN ABOVE GROUND			
GAS ABOVE GROUND			
MECH ROOM PIPING			
PLUMBING FIXTURES & EQUIP			
<b>BUILDING CONCRETE</b>	\$ 242,727.00	\$ 242,727.00	\$ -
SLAB REINFORCEMENT			
BUILDING SLAB			
LIGHTWEIGHT CONCRETE			
<b>METALS</b>	\$ 205,107.00	\$ 205,107.00	\$ -
STRUCTURAL STEEL			
HANDRAILS			
BALCONY RAILINGS			
<b>ROOFING</b>	\$ 59,826.00	\$ 59,826.00	\$ -
60 MIL ROOFING			
<b>CARPENTRY</b>	\$ 505,820.00	\$ 361,299.45	\$ 144,520.55
FRAMING/SIDING			
FINISH CARPENTRY			
<b>HVAC</b>	\$ 347,810.00		\$ 347,810.00
WET MECH PIPING			
HVAC SYSTEM			
<b>ELECTRICAL</b>	\$ 542,000.00		\$ 542,000.00
ROUGH ELECTRICAL			
FINISH ELECTRICAL			
ELECTRICAL FIXTURES			
<b>ACOUSTICAL CEILING</b>	\$ 43,200.00		\$ 43,200.00
T-BAR GRID			
CEILING TILES			
<b>DRYWALL</b>	\$ 237,500.00		\$ 237,500.00
MATERIALS			
HANGING			
FINISHING			
<b>ELEVATOR</b>	\$ 81,500.00		\$ 81,500.00
ELEVATOR			
<b>CASEWORK</b>	\$ 105,287.00		\$ 105,287.00
CABINETS			
COUNTERTOPS			
<b>THERMAL/MOISTURE</b>	\$ 25,063.00		\$ 25,063.00
INSULATION			
<b>DOORS AND WINDOWS</b>	\$ 218,500.00		\$ 218,500.00
DOORS			
WINDOWS			
STOREFRONT GLASS			
<b>FINISHES</b>	\$ 487,968.00		\$ 487,968.00
INTERIOR PAINT			
EXTERIOR PAINT			
DECK WATERPROOFING			
FLOORING			
CERAMIC TILE			
3 COAT STUCCO			
<b>SPECIAL CONSTRUCTION</b>	\$ 39,477.00		\$ 39,477.00
RADON VENT SYSTEM			
BATH ACCESSORIES			
SPECIALTY ACCESSORIES			
<b>LANDSCAPING</b>	\$ 38,400.00		\$ 38,400.00
IRRIGATION			
PLANTING			
<b>OVERHEAD &amp; PROFIT</b>	\$ 367,634.00		\$ 367,634.00
<b>TOTAL HARD COSTS</b>	\$ 4,346,070.00	\$ 1,612,210.45	\$ 2,683,859.55
<b>TOTAL SOFT COSTS</b>	\$ 330,456.86	\$ 30,023.55	\$ 300,433.31
ARCHITECT FEES	\$ 93,646.03	\$ 4,827.72	\$ 88,818.31
CONSULTING FEES	\$ 17,369.09	\$ 7,558.19	\$ 9,810.90
ENGINEERING FEES	\$ 84,319.71	\$ 369.50	\$ 83,950.21
LEGAL FEES	\$ 12,858.50	\$ 3,127.00	\$ 9,731.50
MARKET STUDY/APPRaisal	\$ 17,555.11		\$ 17,555.11
PERMIT/PLAN CHECK	\$ 54,840.02	\$ 2,043.92	\$ 52,796.10
SITE MAINTENANCE	\$ 4,690.40	\$ 599.97	\$ 4,090.43
SOILS TESTING	\$ 6,090.00		\$ 6,090.00
SURVEY FEES	\$ 13,647.50	\$ 3,683.75	\$ 9,963.75
TCACT FEES	\$ 25,440.50	\$ 7,813.50	\$ 17,627.00
<b>ESTIMATED BUILDERS RISK INSURANCE</b>	\$ 50,000.00		\$ 50,000.00
<b>GRAND TOTAL</b>	\$ 4,726,526.86	\$ 1,642,234.00	\$ 3,034,292.86