RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Kutak Rock LLP 201 South Lake Avenue Suite 308 Pasadena, CA 91101 Attn: Sam S. Balisy, Esq.



THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

FIRST AMENDMENT TO COMMERCIAL LEASE

by and between

SAN BENITO COUNTY COMMUNITY SERVICES DEVELOPMENT CORPORATION,

as Lessor

and

COUNTY OF SAN BENITO, as Lessee

Amending
COMMERCIAL LEASE
Dated as of April 28, 1992

Dated as of February 26, 2004

THIS FIRST AMENDMENT TO COMMERCIAL LEASE (this "First Amendment"), entered into as of this 26th day of February 2004, by and between SAN BENITO COUNTY COMMUNITY SERVICES DEVELOPMENT CORPORATION, a nonprofit public benefit corporation organized and existing under the laws of the State of California (the "State") (hereinafter referred to as the "Corporation"), and the COUNTY OF SAN BENITO, a political subdivision of the State (hereinafter referred to as the "County"), amends the Commercial Lease, dated as of April 28, 1992, between the Corporation and the County and recorded on July 21, 1993 as instrument number 9307351 in the official records of the County of San Benito (the "Lease") (capitalized terms not otherwise defined herein shall have the meanings set forth in the Lease):

WITNESSETH:

WHEREAS, the Corporation entered into the Lease with the County pursuant to which the Corporation agreed to lease to the County a portion of those certain premises located at 1131 San Felipe Road, Hollister, California, in the County of San Benito, as described in Exhibit A attached to the Lease and in Exhibit A attached hereto (the "Premises");

WHEREAS, the County and the Corporation have determined that it is necessary and desirable to modify certain terms and provisions of the Lease to provide for the tax-exempt refinancing of the Corporation's existing indebtedness with respect to the real property and improvements comprised of the Premises and certain other real property and facilities (the "Property"); and

WHEREAS, the Corporation and the County have duly authorized the execution and delivery of this First Amendment.

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and in consideration of the premises contained in this First Amendment, the Corporation and the County agree as follows:

- Section 1. Amendment to Section 16.1 of the Lease. Section 16.1 of the Lease is hereby amended in its entirety to read as follows:
 - "16.1 Subordination. The Lease shall be subordinate to the security lien created by the deed of trust granted by Landlord to Pacific Capital Bank, N.A., dba San Benito Bank, providing for the tax-exempt refinancing of the premises. The Lease shall be prior to any encumbrance recorded after the date of this First Amendment to Commercial Lease affecting the premises."
- Section 2. Amendment to Section 16.2 of the Lease. Section 16.2 of the Lease is hereby amended in its entirety to read as follows:
 - "16.2 No Future Encumbrances. Without Tenant's prior written consent, Landlord shall not encumber the premises, with the exception of the security interest granted to Pacific Capital Bank, N.A., dba San Benito Bank, as specified in section 16.1. Landlord agrees to execute and deliver to Tenant upon demand such further instruments protecting Tenant's rights specified herein should any be required by Tenant."

- Section 3. Agreement. Except as specifically amended hereby, the Lease shall remain in full force and effect as in existence as of the date hereof. After the Effective Date, any reference by the County or the Corporation to the Lease shall mean the Lease as amended by this First Amendment.
- Section 4. Partial Invalidity. If any one or more of the terms, provisions, promises, covenants or conditions of this First Amendment shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants and conditions of this First Amendment shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law.
- Section 5. Effective Date. This First Amendment shall become effective on the date this First Amendment or a memorandum thereof is recorded in the Official Records of San Benito County, California.
- Section 6. Governing Law. This First Amendment shall be governed by the laws of the State of California.
- Section 7. Execution in Counterparts. This First Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the Corporation has executed this First Amendment or caused it to be duly executed, and the County has caused this First Amendment to be executed on its behalf as of the day, month, and year first above written.

SAN BENITO COUNTY COMMUNITY SERVICES DEVELOPMENT CORPORATION

Ву

Brian R. Abbott, Ph.D Executive Director

COUNTY OF SAN BENITO

By

Chairman of the Board of Superviso

Approved as to Form:

County Counsel

By $\frac{\Im \omega}{2}$

State of California County of San Benito

On February 24, 2004, before me, John R. Hodges, San Benito County Clerk, personally appeared:

BOB CRUZ

Personally known to me (or proved to me on the basis of satisfactory evidence) to be the <u>person(s)</u> whose name(s) <u>is/are</u> subscribed to the within instrument and acknowledged to me that he executed the same in his authorized <u>capacity(ies)</u>, and that by his <u>signature(s)</u> on the instrument the <u>person(s)</u>, or the entity, upon behalf of which the <u>person(s)</u> acted, executed the instrument.



Witness my hand and official seal

John R. Hodges, San Benito County Clerk

By: Lenda Cherchell
Deputy Clerk

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA)		
COUNTY OF San Benito) ss.)		
On February 23 2004, before me, Ju Schlie			
On <u>February 23 2004</u> , before me, <u>Ju Schlie</u> Name and Title of Officer (e.g. 'Jane Doe, Notary Public') Personally appeared <u>Briaic</u> R. Abbott Name of Signer(s)			
J. SCHLIE Commission 1344467 Notary Public - California San Benito County My Comm. Expires Feb 24, 2008	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)		
	Signature of Notary Public		
	OPTIONAL		
Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.			
Though the information below is not required to prevent fraudulent reattachment of this form.	by law, it may prove valuable to persons relying on the document and could		
prevent fraudulent reattachment of this form.			
prevent fraudulent reattachment of this form. CAPACITY(IES) CLAIMED BY SIGNER(Individual Corporate Officer Title(s)			
prevent fraudulent reattachment of this form. CAPACITY(IES) CLAIMED BY SIGNER(Individual Corporate Officer Title(s) Partner(s) General	Title or Type of Document		
" Partner(s) " Limited " General " Attorney-In-Fact " Trustee(s)	(S) DESCRIPTION OF ATTACHED DOCUMENT		
" Partner(s) " Limited " General " Attorney-In-Fact " Trustee(s)	Title or Type of Document Number of Pages		
" CAPACITY(IES) CLAIMED BY SIGNER " Individual " Corporate Officer Title(s) " Partner(s) " Limited " General " Attorney-In-Fact " Trustee(s) " Guardian/Conservator	Title or Type of Document		
CAPACITY(IES) CLAIMED BY SIGNER Individual Corporate Officer Title(s) Partner(s) Attorney-In-Fact Trustee(s) Guardian/Conservator Other: Signer is Representing:	Title or Type of Document Number of Pages		

EXHIBIT A

LEGAL DESCRIPTION

All that real property located in the County of San Benito and more particularly described as follows:

[See Attached]

EXHIBIT 'A'

Date: February 18, 2004 File No.: 3501-1245182 (LC)

Parcel 1

Being a portion of Lot 1 as said Lot is shown upon that certain Map entitled "Tract No. 239-C.S.D.C. Subdivision" filed for record in Book 11 of Maps at Page 22, San Benito County Records, and being more particularly described as follows:

Beginning at a point lying upon the Easterly line of said Lot 1 from which the Southeast corner of said Lot bears South 2 deg. 51' 00" West and is distant 100.51 feet, said Southeast corner of said Lot 1 being coincident with the Southwest corner of Lot 3 as shown upon said Map; thence from the Point of Beginning and running along said Easterly line of said Lot 1, said Easterly line being also the Westerly line of Lot A as shown upon said Map North 2 deg. 51' 00" East 78.94 feet to the Northeast corner of said Lot 1, said corner being also the Southeast corner of Lot 2 as shown upon said Map; thence along the line dividing said Lots 1 and 2 North 87 deg. 04' 12" West 197.04 feet; thence leaving said dividing line and running through a portion of said Lot 1 the following courses and distances: South 2 deg. 51' 00" West 78.53 feet; thence South 86 deg. 56' 59" East 197.04 feet to the point of beginning.

Parcel 2

Being a portion of Lot 3 as said Lot is shown upon that certain Map entitled "Tract No. 239-C.S.D.C. Subdivision" filed for record in Book 11 of Maps at Page 22, San Benito County Records, and being more particularly described as follows:

Beginning at the most Northerly Northwestern corner of said Lot 3 as shown upon said Map; thence along the general line dividing said Lot 3 and Lot A as shown upon said Map the following courses and distances: South 2 deg. 51' 00" West 92.72 feet; thence South 86 deg. 56' 59" East 11.24 feet; thence South 2 deg. 51' 00" West 61.78 feet; thence North 86 deg. 56' 59" West 22.16 feet; thence South 2 deg. 51' 00" West 185.69 feet; thence running through a portion of said Lot 3 the following courses and distances: South 86 deg. 37' 42" East 156.64 feet; thence North 2 deg. 51' 00" East 186.98 feet to the line dividing Lot 3 and Lot A as shown upon said Map and from which point the most Easterly Northeastern corner common to said Lot 3 and Lot A bears South 86 deg. 56' 59" East and is distant 20.00 feet; thence along the general line dividing said Lot 3 and Lot A the following courses and distances: North 86 deg. 56' 59" West 71.82 feet; thence North 2 deg. 51' 00" East 67.38 feet; thence North 86 deg. 56' 59" West 26.92 feet; thence North 2 deg. 51' 00" East 46.46 feet; thence South 86 deg. 56' 59" East 10.00 feet; thence North 2 deg. 51' 00" East 40.25 feet, thence North 86 deg. 56' 59" West 56.98 feet to the Point of Beginning.

Parcel 3

An undivided 67% interest in and to the following:

Being all of Lot A and also being a portion of Lots 1, 2, 3, and 5 as said Lots are shown upon that certain Map entitled "Tract No. 239-C.S.D.C. Subdivision" filed for record in Book 11 of Maps at Page 22, San Benito County Records, and being more particularly described as follows:

Initials:		
		Page 1 of

Beginning at the Southwest corner of said Lot 1 as shown upon said Map; thence from Point of Beginning and running along the Westerly line of said Lots 1, 2 and A, said Westerly line also being the Easterly line of San Felipe Road as shown upon said Map North 2 deg. 51' 00" East 366.50 feet to the Northwest corner of said Lot A; thence along the general boundary of said Lot A as shown upon said Map, the following courses and distances: South 86 deg. 56' 59" East 225.07 feet; thence North 2 deg. 50' 31" East 92.66 feet to the Westerly prolongation of the line dividing said Lot 4 and Lot A, as shown on the aforementioned Map; thence along said prolongation, South 87 deg. 09' 00" East 69.34 feet to the Southwest corner of Lot 4; thence along the Southerly line of Lot 4 South 87 deg. 09' 00" East 170.75 feet; thence along the Easterly prolongation of the Southerly line of Lot 4 South 87 deg. 09' 00" East 151.39 feet; thence along a line parallel to the Easterly line of San Felipe Road and the Westerly line of Lot 5, as shown upon said map, South 2 deg. 51' 00" West 462.25 feet, to a point on the Southerly line of said Lot 5; thence along the Southerly line of said Lots 5, 3 and 1 as shown upon said Map the following courses and distances: North 86 deg. 47' 36" West 166.57 feet; thence North 86 deg. 37' 42" West 224.87 feet; thence North 86 deg. 56' 59" West 225.12 feet to the Point of Beginning.

EXCEPTING THEREFROM a portion of said Lots 1 and 2 as shown upon said Map and being more particularly described as follows: Beginning at the Northeast corner of said Lot 2; thence running along the Easterly line of said Lots 1 and 2 South 2 deg. 51' 00" West 159.69 feet; thence leaving said Easterly line and running through a portion of said Lot 1 North 86 deg. 56' 59" West 197.04 feet; thence North 2 deg. 51' 00" East 159.69 feet to the Northerly line of said Lot 2; thence along said Northerly line South 86 deg. 56' 59" East 197.04 feet to the Point of Beginning.

ALSO EXCEPTING THEREFROM a portion of said Lot 3 as shown upon said Map and being more particularly described as follows:

Beginning as the most Northerly Northwestern corner of said Lot 3 as shown upon said Map; thence along the general line dividing said Lot 3 and Lot A as shown upon said Map the following courses and distances: South 2 deg. 51' 00" West 92.72 feet; thence South 86 deg. 56' 59" East 11.24 feet; thence South 2 deg. 51' 00" West 61.78 feet; thence North 86 deg. 56' 59" West 22.16 feet; thence South 2 deg. 51 deg. 00" West 185.69 feet; thence running through a portion of said Lot 3 the following courses and distances: South 86 deg. 37' 42" East 156.64 feet; thence North 2 deg. 51' 00" East 186.98 feet to the line dividing Lot 3 and Lot A as shown upon said Map and from which point the most Easterly Northeastern corner common to said Lot 3 and Lot A bears South 86 deg. 56' 59" East and is distant 20.00 feet; thence along the general line dividing said Lot 3 and Lot A the following courses and distances: North 86 deg. 56' 59" West 71.82 feet; thence North 2 deg. 51' 00" East 67.38 feet; thence North 86 deg. 56' 59" West 26.92 feet; thence North 2 deg. 51' 00" East 46.46 feet; thence South 86 deg. 56' 59" East 10.00 feet; thence North 2 deg. 51' 00" East 40.25 feet, thence North 86 deg. 56' 59" West 56.98 feet to the Point of Beginning.

A.P.N. 051-110-022

Initials:	

IN WITNESS WHEREOF, the Corporation has executed this First Amendment or caused it to be duly executed, and the County has caused this First Amendment to be executed on its behalf as of the day, month, and year first above written.

SAN RENITO COUNTY COMMUNITY

	SERVICES DEVELOPMENT CORPORATION
	By Brian R. Abbott, Ph.D. Executive Director
	COUNTY OF SAN BENTTO
	Ву
Approved as to Form:	Chairman of the Board of Supervisors
County Counsel	
By	•

IN WITNESS WHEREOF, the parties hereto have each caused this Subordination, Nondisturbance and Attornment Agreement to be executed on the dates set forth below.

NOTICE: THIS AGREEMENT CONTAINS A SUBORDINATION CLAUSE WHICH ALLOWS THE LESSOR UNDER YOUR LEASE TO OBTAIN A LOAN, A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LEASED PROPERTY

LESSEE:	BORROWER:
Date:	Date: 2/18/04
COUNTY OF SAN BENITO	
[printed name of Lessee]	SAN BENITO COUNTY COMMUNITY SERVICES DEVELOPMENT CORPORATION,
Ву:	a California non-profit corporation
Printed Name:	By: BINGETT
Title:	Brian Abbott, its Executive Director
Address for Notices:	Address for Notices:
	SAN BENITO COUNTY COMMUNITY SERVICES DEVELOPMENT CORPORATION,
	1101 San Felipe Road
	Hollister, California 95023
LENDER:	
Pacific Capital Bank, N.A	
Ву	
Address for Notices:	•

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

San Benito Bank c/o Loan Services

PO Box 60654

Pacific Capital Bank, N.A.

Santa Barbara CA 93160-0654

IN WITNESS WHEREOF, Landlord and Tenant have executed this Summary of Lease Terms on the dates set forth below with the knowledge and understanding that the San Benito Bank will rely on the accuracy of the information contained in this Summary in making the proposed losn to Landlord.

LANDLORD:	TENANT:
Date: 2118/04	Date:
SAN BENITO COUNTY COMMUNITY SERVICES DEVELOPMENT CORPORATION, a California non-profit corporation	COUNTY OF SAN BENTTO (printed name of Tenant)
By: Brian Abbott, its Executive Director	Ву