

Sc

SECOND AMENDMENT TO GROUND LEASE

THIS SECOND AMENDMENT TO GROUND LEASE is entered into as of this 24th day of February, 1989, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA ("Agency") and SANTA BARBARA ASSOCIATES, a California general partnership, ("Lessee"). Agency and Lessee hereby amend, modify and supplement the Ground Lease as follows:

1. Rights Upon Lease Termination. Notwithstanding anything contained in the Ground Lease, the rights granted to Lessee under Sections 13.8.1 and 13.8.2 of the Ground Lease must vest, if at all, not later than sixty (60) years - after the Effective Date.

2. No Conflict. Except as modified by the terms of this Second Amendment, the terms of the Ground Lease, as amended by the First Amendment to Ground Lease, shall remain in full force and effect. In the event of any conflict between the terms of this Second Amendment to Ground Lease and the terms of the Lease, the terms of this Second Amendment to Ground Lease shall govern and control the intent of the parties.

IN WITNESS WHEREOF the parties have executed this Second Amendment to Ground Lease as of the date and year first set forth above.

LESSOR:

SANTA BARBARA ASSOCIATES, a
California general partnership

By: PASEO NUEVO ASSOCIATES, a
California limited partnership

By: [Signature]
Its General Partner

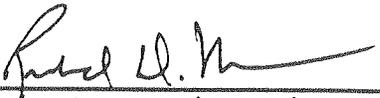
By: JMB/PASEO NUEVO ASSOCIATES, an
Illinois general partnership

By: JMB/PK, INC., an Illinois
corporation, general partner

By: [Signature]

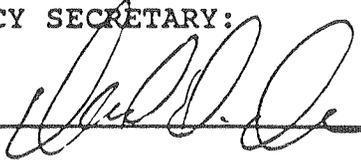
AGENCY:

REDEVELOPMENT AGENCY OF THE CITY
OF SANTA BARBARA

By: 
Executive Director

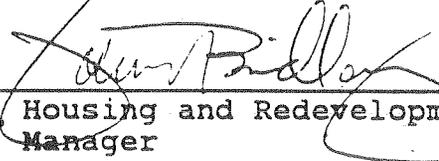
ATTEST:

AGENCY SECRETARY:

By: 

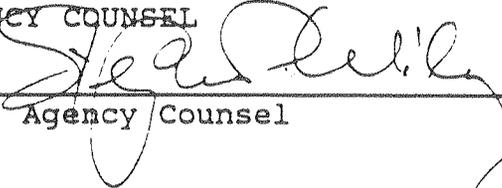
APPROVED AS TO CONTENT:

DEPUTY EXECUTIVE DIRECTOR

By: 
Housing and Redevelopment
Manager

APPROVED AS TO FORM:

AGENCY COUNSEL

By: 
Agency Counsel

By: _____
Special Agency Counsel

By: _____