

SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT

THIS SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT ("Agreement") is entered into as of January 5, 2006 the ("Effective Date") by and between **IXIS REAL ESTATE CAPITAL INC.**, a New York corporation (the "**Mortgagee**") and **CITY OF REDLANDS** (hereinafter, collectively the "**Tenant**"), with reference to the following facts:

1. Orange Street Plaza, LLC, a California limited liability company, whose address is 16055 Ventura Blvd., Ste. 725, Encino, CA 91436 (the "**Landlord**") owns fee simple title or a leasehold interest in the real property described in Exhibit "A" attached hereto (the "**Property**").

2. Mortgagee [has made] [intends to make] a loan to Landlord in the original principal amount of Fourteen Million Seven Hundred Thousand Dollars (\$14,700,000.00) (the "**Loan**").

3. To secure the Loan, Landlord [has encumbered] [intends to encumber] [all] [a certain portion of] the Property by entering into that certain Mortgage [to be] dated January 5, 2006 in favor of Mortgagee (as amended, increased, renewed, extended, spread, consolidated, severed, restated, or otherwise changed from time to time, the "**Mortgage**") to be recorded in the [Recorder of Deeds' Office] in and for the County of San Bernardino, State of California.

4. Pursuant to the Lease effective December 2, 2003 (the "**Lease**"), Landlord demised to Tenant [all] [a portion] of the Property consisting of the following (the "**Leased Premises**"): 406-2-C North Orange St., Redlands, CA 92374.

5. Tenant and Mortgagee desire to agree upon the relative priorities of their interests in the Property and their rights and obligations if certain events occur.

NOW, THEREFORE, for good and sufficient consideration, Tenant and Mortgagee agree:

1. Definitions. The following terms shall have the following meanings for purposes of this Agreement.

(a) Foreclosure Event. A "Foreclosure Event" means: (i) foreclosure under the Mortgage; (ii) any other exercise by Mortgagee of rights and remedies (whether under the Mortgage or under applicable law, including bankruptcy law) as holder of the Loan and/or the Mortgage, as a result of which a Successor Landlord becomes owner of the Property; or (iii) delivery by Landlord to Mortgagee (or its designee or nominee) of a deed or other conveyance of Landlord's interest in the Property in lieu of any of the foregoing.

(b) Former Landlord. A "Former Landlord" means Landlord and any other party that was landlord under the Lease at any time before the occurrence of any attornment under this Agreement.

(c) Offset Right. An “Offset Right” means any right or alleged right of Tenant to any offset, defense (other than one arising from actual payment and performance, which payment and performance would bind a Successor Landlord pursuant to this Agreement), claim, counterclaim, reduction, deduction, or abatement against Tenant’s payment of Rent or performance of Tenant’s other obligations under the Lease, arising (whether under the Lease or under applicable law) from Landlord’s breach or default under the Lease.

(d) Rent. The “Rent” means any fixed rent, base rent or additional rent under the Lease.

(e) Successor Landlord. A “Successor Landlord” means any party that becomes owner of the Property as the result of a Foreclosure Event.

(f) Other Capitalized Terms. If the initial letter of any other term used in this Agreement is capitalized and no separate definition is contained in this Agreement, then such term shall have the same respective definition as set forth in the Lease.

2. Subordination. The Lease shall be, and shall at all times remain, subject and subordinate to the terms of the Mortgage, the lien imposed by the Mortgage, and all advances made under the Mortgage.

3. Nondisturbance, Recognition and Attornment.

(a) No Exercise of Mortgage Remedies Against Tenant. So long as the Tenant is not in default under the Lease beyond any applicable grace or cure periods (an “Event of Default”), Mortgagee shall not name or join Tenant as a defendant in any exercise of Mortgagee’s rights and remedies arising upon a default under the Mortgage unless applicable law requires Tenant to be made a party thereto as a condition to proceeding against Landlord or prosecuting such rights and remedies. In the latter case, Mortgagee may join Tenant as a defendant in such action only for such purpose and not to terminate the Lease or otherwise adversely affect Tenant’s rights under the Lease or this Agreement in such action.

(b) Nondisturbance and Attornment. If an Event of Default by Tenant is not then continuing, then, when Successor Landlord takes title to the Property: (i) Successor Landlord shall not terminate or disturb Tenant’s possession of the Leased Premises under the Lease, except in accordance with the terms of the Lease and this Agreement; (ii) Successor Landlord shall be bound to Tenant under all the terms and conditions of the Lease (except as provided in this Agreement); (iii) Tenant shall recognize and attorn to Successor Landlord as Tenant’s direct landlord under the Lease as affected by this Agreement; and (iv) the Lease shall continue in full force and effect as a direct lease, in accordance with its terms (except as provided in this Agreement), between Successor Landlord and Tenant. Tenant acknowledges notice of the Mortgage and assignment of rents, leases and profits from the Landlord to the Mortgagee. Tenant agrees to continue making payments of rents and other amounts owed by Tenant under the Lease to the Landlord and to otherwise recognize the rights of Landlord under the Lease until notified otherwise in writing by the Mortgagee (as provided in the Mortgage), and after receipt of such notice the Tenant agrees thereafter to make all such payments to the Mortgagee, without any further inquiry on the part of the Tenant, and Landlord consents to the foregoing.

(c) Further Documentation. The provisions of this Article 3 shall be effective and self-operative without any need for Successor Landlord or Tenant to execute any further documents. Tenant and Successor Landlord shall, however, confirm the provisions of this Article 3 in writing upon request by either of them within ten (10) days of such request.

4. Protection of Successor Landlord. Notwithstanding anything to the contrary in the Lease or the Mortgage, Successor Landlord shall not be liable for or bound by any of the following matters:

(a) Claims Against Former Landlord. Any Offset Right that Tenant may have against any Former Landlord relating to any event or occurrence before the date of attornment, including any claim for damages of any kind whatsoever as the result of any breach by Former Landlord that occurred before the date of attornment.

(b) Prepayments. Any payment of Rent that Tenant may have made to Former Landlord more than thirty (30) days before the date such Rent was first due and payable under the Lease with respect to any period after the date of attornment other than, and only to the extent that, the Lease expressly required such a prepayment.

(c) Payment; Security Deposit. Any obligation: (i) to pay Tenant any sum(s) that any Former Landlord owed to Tenant unless such sums, if any, shall have been delivered to Mortgagee by way of an assumption of escrow accounts or otherwise; (ii) with respect to any security deposited with Former Landlord, unless such security was actually delivered to Mortgagee; (iii) to commence or complete any initial construction of improvements in the Leased Premises or any expansion or rehabilitation of existing improvements thereon; (iv) to reconstruct or repair improvements following a fire, casualty or condemnation; or (v) to perform day-to-day maintenance and repairs.

(d) Modification, Amendment or Waiver. Any modification or amendment of the Lease, or any waiver of the terms of the Lease, made without Mortgagee's written consent.

(e) Surrender, Etc. Any consensual or negotiated surrender, cancellation, or termination of the Lease, in whole or in part, agreed upon between Landlord and Tenant, unless effected unilaterally by Tenant pursuant to the express terms of the Lease.

5. Exculpation of Successor Landlord. Notwithstanding anything to the contrary in this Agreement or the Lease, upon any attornment pursuant to this Agreement, the Lease shall be deemed to have been automatically amended to provide that Successor Landlord's obligations and liability under the Lease shall never extend beyond Successor Landlord's (or its successors' or assigns') interest, if any, in the Leased Premises from time to time, including insurance and condemnation proceeds, security deposits, escrows, Successor Landlord's interest in the Lease, and the proceeds from any sale, lease or other disposition of the Property (or any portion thereof) by Successor Landlord (collectively, the "**Successor Landlord's Interest**"). Tenant shall look exclusively to Successor Landlord's Interest (or that of its successors and assigns) for payment or discharge of any obligations of Successor Landlord under the Lease as affected by this Agreement. If Tenant obtains any money judgment against Successor Landlord with respect to the Lease or the relationship between Successor Landlord and Tenant, then Tenant shall look

solely to Successor Landlord's Interest (or that of its successors and assigns) to collect such judgment. Tenant shall not collect or attempt to collect any such judgment out of any other assets of Successor Landlord.

6. Notice to Mortgagee and Right to Cure. Tenant shall notify Mortgagee of any default by Landlord under the Lease and agrees that, notwithstanding any provisions of the Lease to the contrary, no notice of cancellation thereof or of an abatement shall be effective unless Mortgagee shall have received notice of default giving rise to such cancellation or abatement and (i) in the case of any such default that can be cured by the payment of money, until forty-five (45) days shall have elapsed following the giving of such notice or (ii) in the case of any other such default, until a reasonable period for remedying such default shall have elapsed following the giving of such notice and following the time when Mortgagee shall have become entitled under the Mortgage to remedy the same, including such time as may be necessary to acquire possession of the Property if possession is necessary to effect such cure, provided Mortgagee, with reasonable diligence, shall (a) pursue such remedies as are available to it under the Mortgage so as to be able to remedy the default, and (b) thereafter shall have commenced and continued to remedy such default or cause the same to be remedied, but in no event shall such period of time exceed one hundred twenty (120) days. Notwithstanding the foregoing, Mortgagee shall have no obligation to cure any such default.

7. Miscellaneous.

(a) Notices. Any notice or request given or demand made under this Agreement by one party to the other shall be in writing, and may be given or be served by hand delivered personal service, or by depositing the same with a reliable overnight courier service or by deposit in the United States mail, postpaid, registered or certified mail, and addressed to the party to be notified, with return receipt requested or by telefax transmission, with the original machine-generated transmit confirmation report as evidence of transmission. Notice deposited in the mail in the manner hereinabove described shall be effective from and after the expiration of three (3) days after it is so deposited; however, delivery by overnight courier service shall be deemed effective on the next succeeding business day after it is so deposited and notice by personal service or telefax transmission shall be deemed effective when delivered to its addressee or within two (2) hours after its transmission unless given after 3:00 p.m. on a business day, in which case it shall be deemed effective at 9:00 a.m. on the next business day. For purposes of notice, the addresses and telefax number of the parties shall, until changed as herein provided, be as follows:

If to the Mortgagee, at:

IXIS Real Estate Capital Inc.

9 West 57th Street

New York, New York 10019

Attn: _____

Telecopy No.: (____) ____-____

If to the Tenant, at:

Attn: _____
Telecopy No.: (____) ____-____

(b) Successors and Assigns. This Agreement shall bind and benefit the parties, their successors and assigns, any Successor Landlord, and its successors and assigns. If Mortgagee assigns the Mortgage, then upon delivery to Tenant of written notice thereof accompanied by the assignee's written assumption of all obligations under this Agreement, all liability of the assignor shall terminate. If Tenant consists of more than one person or entity, the representations, warranties, covenants and obligations of such persons and entities hereunder shall be joint and several. A separate action may be brought or prosecuted against any such person or entity comprising Tenant, regardless of whether the action is brought or prosecuted against the other persons or entities comprising Tenant, or whether such persons or entities are joined in the action. Mortgagee may compromise or settle with any one or more of the persons or entities comprising Tenant for such sums, if any, as it may see fit and may in its discretion release any one or more of such persons or entities from any further liability to Mortgagee without impairing, affecting or releasing the right of Mortgagee to proceed against any one or more of the persons or entities not so released.

(c) Entire Agreement. This Agreement constitutes the entire agreement between Mortgagee and Tenant regarding the subordination of the Lease to the Mortgage and the rights and obligations of Tenant and Mortgagee as to the subject matter of this Agreement.

(d) Interaction with Lease and with Mortgage. If this Agreement conflicts with the Lease, then this Agreement shall govern as between the parties and any Successor Landlord, including upon any attornment pursuant to this Agreement. This Agreement supersedes, and constitutes full compliance with, any provisions in the Lease that provide for subordination of the Lease to, or for delivery of nondisturbance agreements by the holder of, the Mortgage.

(e) Mortgagee's Rights and Obligations. Except as expressly provided for in this Agreement, Mortgagee shall have no obligations to Tenant with respect to the Lease. If an attornment occurs pursuant to this Agreement, then all rights and obligations of Mortgagee under this Agreement shall terminate, without thereby affecting in any way the rights and obligations of Successor Landlord provided for in this Agreement.

(f) Interpretation; Governing Law. The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the internal laws of the State in which the Leased Premises are located, excluding such State's principles of conflict of laws.

(g) Amendments. This Agreement may be amended, discharged or terminated, or any of its provisions waived, only by a written instrument executed by the party to be charged.

(h) Due Authorization. Tenant represents to Mortgagee that it has full authority to enter into this Agreement, which has been duly authorized by all necessary actions.

Mortgagee represents to Tenant that it has full authority to enter into this Agreement, which has been duly authorized by all necessary actions.

(i) Execution. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

[THIS SPACE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Mortgagee and Tenant have caused this Agreement to be executed as of the date first above written.

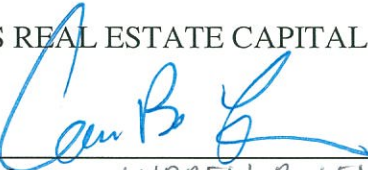
ATTEST:

MORTGAGEE:

IXIS REAL ESTATE CAPITAL, INC.



Name: Raleigh Nuckols
Title: Analyst

By: 

Name: ANDREW B. LEVINE
Title: DIRECTOR

TENANT:

CITY OF REDLANDS

By: 

Name: Jon Harrison
Title: Mayor, City of Redlands

ATTEST:

By: 

Name: Lorrie Poyzer
Title: City Clerk

LANDLORD'S CONSENT

Landlord consents and agrees to the foregoing Agreement, which was entered into at Landlord's request. The foregoing Agreement shall not alter, waive or diminish any of Landlord's obligations under the Mortgage or the Lease. The above Agreement discharges any obligations of Mortgagee under the Mortgage and related loan documents to enter into a nondisturbance agreement with Tenant. Landlord is not a party to the above Agreement.

ORANGE STREET PLAZA, LLC

By:

Name: Raymond Arjmand

Title: Managing Member, NNMR, LLC

Dated: _____

11/10/05

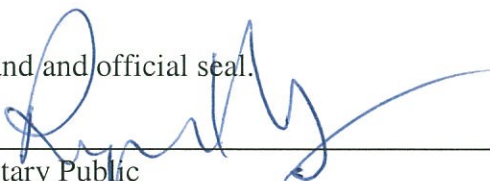
MORTGAGEE'S ACKNOWLEDGMENT

STATE OF New York :
 : SS
COUNTY OF New York :

On this, the 17th day of November, 2005, before me a Notary Public in and for the State of New York, the undersigned officer, personally appeared Andrew Levine, who acknowledged himself/herself to be a Director of IXIS, a corporation, and that he/she, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself/herself as such officer.

I certify that I am not an officer or director of the above-named bank, banking institution or trust company. [*Strike if inapplicable*]

In witness whereof, I hereunto set my hand and official seal.



Notary Public [SEAL]

My Commission Expires:

RYAN HEIBERG
Notary Public, State of New York
No. 01HE6117945
Qualified in New York County
Commission Expires November 1, 2008

_____, 200__



ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) SS
CITY OF REDLANDS)

By the authority granted under Chapter 4, Article 3, Section 1181, of the California Civil Code, and Chapter 2, Division 3, Section 40814, of the California Government Code, on December 6, 2005, before me, Teresa Ballinger, Assistant City Clerk, on behalf of Lorrie Poyzer, City Clerk of the City of Redlands, California, personally appeared Jon Harrison and Lorrie Poyzer { X } personally known to me - or - { } proved to me on the basis of satisfactory evidence to be the persons whose names) are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.



WITNESS my hand and official seal.

LORRIE POYZER, CITY CLERK

By: Teresa Ballinger
Teresa Ballinger, Assistant City Clerk
(909)798-7531

CAPACITY CLAIMED BY SIGNER(S)

{ } **Individual(s) signing for oneself/themselves**

{ } **Corporate Officer(s)**

Title(s) _____

Company _____

{ } **Partner(s)**

Partnership _____

{ } **Attorney-In-Fact**

Principal(s) _____

{ } **Trustee(s)**

Trust _____

{ x } **Other**

Title(s): Mayor and City Clerk

Entity Represented: City of Redlands, a municipal corporation

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED BELOW:

Title or Type of Document: Subordination, Attornment and Non-Disturbance Agreement

Date of Document: December 6, 2005

Signer(s) Other Than Named Above: Ixis Real Estate Capital, Inc.; Andrew B. Levine, Director

LIST OF EXHIBITS

If any exhibit is not attached hereto at the time of execution of this Agreement, it may thereafter be attached by written agreement of the parties, evidenced by initialing said exhibit.

Exhibit "A" - Legal Description of the Land

PARCEL A:

PARCELS 2 THROUGH 5, INCLUSIVE AND PARCELS 7 THROUGH 11, INCLUSIVE OF PARCEL MAP NO. 12022, IN THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 143 OF MAPS, PAGES 30 THROUGH 32, INCLUSIVE, RECORDS OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN 500 FEET BELOW THE SURFACE OF SAID LAND, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH AND TO USE AND OCCUPY ALL PARTS OF SAID LAND LYING MORE THAN 500 FEET BELOW THE SURFACE THEREOF FOR ANY AND ALL PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES OR MINERALS FROM SAID LANDS BUT WITHOUT, HOWEVER, THE RIGHT TO USE EITHER THE SURFACE OF SAID LAND OR ANY PORTION OF SAID LAND WITHIN 500 FEET OF THE SURFACE FOR ANY PURPOSES WHATSOEVER, AS RESERVED BY KENNETH EARL ADAY AND PAMELA MARIE ADAY, BY DEED RECORDED DECEMBER 31, 1986 AS INSTRUMENT NO. 86-402414, OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OIL, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN 500 FEET BELOW THE SURFACE OF SAID LAND, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH AND TO USE AND OCCUPY ALL PARTS OF SAID LAND LYING MORE THAN 500 FEET BELOW THE SURFACE THEREOF FOR ANY AND ALL PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES OR MINERALS FROM SAID LANDS BUT WITHOUT, HOWEVER, THE RIGHT TO USE EITHER THE SURFACE OF SAID LAND OR ANY PORTION OF SAID LAND WITHIN 500 FEET OF THE SURFACE FOR ANY PURPOSES WHATSOEVER, AS RESERVED BY EMMA RUTH JUDKINS, BY DEED RECORDED DECEMBER 31, 1986 AS INSTRUMENT NO. 86-402417, OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OIL, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN 500 FEET BELOW THE SURFACE OF SAID LAND, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH AND TO USE AND OCCUPY ALL PARTS OF SAID LAND LYING MORE THAN 500 FEET BELOW THE SURFACE THEREOF FOR ANY AND ALL PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES OR MINERALS FROM SAID LANDS BUT WITHOUT, HOWEVER, THE RIGHT TO USE EITHER THE SURFACE OF SAID LAND OR ANY PORTION OF SAID LAND WITHIN 500 FEET OF THE SURFACE FOR ANY PURPOSES WHATSOEVER, AS RESERVED BY JOHN M. NABER, BY DEED RECORDED DECEMBER 31, 1986 AS INSTRUMENT NO. 86-402418, OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OIL, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN 500 FEET BELOW THE SURFACE OF SAID LAND, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH AND TO USE AND OCCUPY ALL PARTS OF SAID LAND LYING MORE THAN 500 FEET BELOW THE SURFACE THEREOF FOR ANY AND ALL PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES OR MINERALS FROM SAID LANDS BUT WITHOUT, HOWEVER, THE RIGHT TO USE EITHER THE SURFACE OF SAID LAND OR ANY PORTION OF SAID LAND WITHIN 500 FEET OF THE SURFACE FOR ANY PURPOSES WHATSOEVER, AS RESERVED BY TRINI A. LOPEZ, BY DEED RECORDED APRIL 20, 1987 AS INSTRUMENT NO. 87-127483, OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OIL, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN 500 FEET BELOW THE SURFACE OF SAID LAND, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH AND TO USE AND OCCUPY ALL PARTS OF SAID LAND LYING MORE THAN 500 FEET BELOW THE SURFACE THEREOF FOR ANY AND ALL PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES OR MINERALS FROM SAID LANDS BUT WITHOUT, HOWEVER, THE RIGHT TO USE EITHER THE SURFACE OF SAID LAND OR ANY PORTION OF SAID LAND WITHIN 500 FEET OF THE SURFACE FOR ANY PURPOSES WHATSOEVER, AS RESERVED BY JAMES F. VERSTEEG, SR. AND MARTHA J. VERSTEEG, BY DEED RECORDED MAY 11, 1987 AS INSTRUMENT NO. 87-155145, OFFICIAL RECORDS.

PARCEL B:

A NONEXCLUSIVE EASEMENT FOR INGRESS AND EGRESS BY VEHICULAR AND PEDESTRIAN TRAFFIC AND VEHICULAR PARKING UPON, OVER AND ACROSS THAT PORTION OF THE COMMON AREA, OVER AND ACROSS THE FOLLOWING DESCRIBED PROPERTY.

PARCELS 1 THROUGH 11, INCLUSIVE OF PARCEL MAP NO. 12022, IN THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 143 OF PARCEL MAPS, PAGES 30 THROUGH 32, INCLUSIVE, RECORDS OF SAID COUNTY.

EXCEPTING THEREFROM THOSE AREAS DEVOTED TO SERVICES FACILITIES. ALSO EXCEPTING THEREFROM ANY PORTION THEREOF LYING WITHIN PARCEL A DESCRIBED HEREIN.

EXHIBIT E

Forms of Estoppel Certificate and SNDA

TENANT ESTOPPEL CERTIFICATE

TO: IXIS Real Estate Capital Inc. and its successors and assigns (collectively, the "***Lender***")

RE: Premises known as and located at 406-2-C North Orange Street, Redlands, CA 92374 (the "***Building***")

The undersigned, City of Redlands ("***Tenant***"), does hereby certify to the Lender as follows:

1. Tenant is the tenant under that certain lease dated January 16, 1989 between Tenant and Orange Street Plaza, LLC, as landlord ("***Landlord***"), as amended, modified or supplemented by N/A leasing a portion of the Building (the "***Premises***") as more particularly described in the said lease. Said lease, as so amended, modified or supplemented, is hereinafter referred to as the "***Lease***".

2. The Lease is in full force and effect and, except as set forth above, has not been amended, modified or supplemented.

3. The Lease represents the entire agreement between Tenant and Landlord with respect to the leasing and occupancy of the Premises, and there are no other agreements or representations of any kind between Landlord and Tenant with respect thereto. Without limiting the foregoing, Tenant does not have any rights of first refusal for additional space, options to increase or relocate its space or options to purchase the Premises or any interest therein.

4. All obligations of Landlord to be performed or complied with by Landlord through the date hereof have been fully performed and complied with including, without limitation, any obligations of Landlord to prepare the Premises for Tenant's occupancy, and there exists no default or condition, state of facts or event that, with the passing of time or the giving of notice, or both, would constitute a default by Landlord in the performance of its obligations under the Lease.

5. All obligations of Tenant to be performed or complied with by Tenant through the date hereof have been fully performed and complied with and there exists no default or condition, state of facts or event that, with the passing of time or the giving of notice, or both, would constitute a default by Tenant in the performance of its obligations under the Lease.

6. The term of the Lease commenced on December 2, 2003, and shall expire on December 1, 2008, unless sooner terminated in accordance with the terms of the Lease. Tenant has no rights to extend the term of the Lease except as set forth below:

7. The current rent under the Lease is \$2,696.88 per month and has been paid for the period through 11-30-05. [The aggregate amount of percentage rent in the amount of \$ N/A has been paid for the twelve month period ending N/A.] All additional [and/or percentage rent] and other charges have been paid for the current periods.

8. There are no existing offsets or defenses by Tenant to the payment of rent and other charges payable by Tenant or otherwise to the enforcement by Landlord of the Lease.

9. No security deposit or other security has been given to Landlord under the Lease except as follows: \$0.00.

10. There is no remaining free rent period or any unexpired concession in or abatement of rent.

11. Tenant is in sole possession of the Premises and has not assigned, sublet, pledged, mortgaged, transferred or otherwise conveyed all or any portion of its interest in the Premises or the Lease.

12. There are no actions, whether voluntary or otherwise, pending against Tenant under the bankruptcy or insolvency laws of the United States or of any state or territory of the United States.

13. Tenant understands and acknowledges that this certificate is delivered to, and shall be relied on by, the Lender in connection with an extension of a loan financing the Landlord's interest in the Building and the land on which it stands (the "**Mortgaged Property**").

14. Tenant agrees to promptly provide the Lender at its offices at 9 West 57th Street, New York, New York 10019, Attention: Barry Funt, with copies of any notices of default given by or received by Tenant with respect to the Lease and/or the Premises.

CITY OF REDLANDS

By: _____

Name: Jon Harrison

Title: Mayor

ATTEST:

By: _____

Name: Lorrie Poyzer

Title: City Clerk

Dated: December 6, 2005

Dated: December 6, 2005

ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) SS
CITY OF REDLANDS)

By the authority granted under Chapter 4, Article 3, Section 1181, of the California Civil Code, and Chapter 2, Division 3, Section 40814, of the California Government Code, on December 6, 2005, before me, Teresa Ballinger, Assistant City Clerk, on behalf of Lorrie Poyzer, City Clerk of the City of Redlands, California, personally appeared Jon Harrison and Lorrie Poyzer { X } personally known to me - or - { } proved to me on the basis of satisfactory evidence to be the persons whose names) are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.



WITNESS my hand and official seal.

LORRIE POYZER, CITY CLERK

By: Teresa Ballinger
Teresa Ballinger, Assistant City Clerk
(909)798-7531

~~~~~  
**CAPACITY CLAIMED BY SIGNER(S)**

{ } **Individual(s) signing for oneself/themselves**

{ } **Corporate Officer(s)**

Title(s) \_\_\_\_\_

Company \_\_\_\_\_

{ } **Partner(s)**

Partnership \_\_\_\_\_

{ } **Attorney-In-Fact**

Principal(s) \_\_\_\_\_

{ } **Trustee(s)**

Trust \_\_\_\_\_

{ x } **Other**

Title(s): Mayor and City Clerk

Entity Represented: City of Redlands, a municipal corporation

~~~~~  
THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED BELOW:

Title or Type of Document: Tenant Estoppel Certificate

Date of Document: December 6, 2005

Signer(s) Other Than Named Above: None



OPHIR MANAGEMENT SERVICES

Bea
Fyl

November 10, 2005

Redlands Police-Substation
P.O. Box 3005
Redlands, Ca 92373

Re: Tenant Estoppel Certificate

City Of Redlands:

Please find the attached Tenant Estoppel Certificate and SNDA agreements for your store in Redlands located at 406-2-C N. Orange Street, Redlands, CA 92374.

Please review and execute the following documents, have them **NOTARIZED** and kindly send them back in the enclosed self addressed envelope.

Should you have any questions regarding the specifics of such documents, please do not hesitate to call Marissa Rodriguez with Commercial Realty Consultants, Inc. at 818-222-2800 ext. 244.

Sincerely,

OPHIR MANAGEMENT SERVICES

Allyson Wojdakowski

cc: Marissa Rodriguez

Funds - Bulletproof Vest Partnership Program - On motion of Councilmember Gilbreath, seconded by Councilmember Peppler, the City Council unanimously accepted a grant from the Department of Justice and Bureau of Justice Assistance and approved the request for an additional appropriation in the amount of \$7,875.76 to fund the purchase of bulletproof vests.

Police Substation Agreement - On motion of Councilmember Gilbreath, seconded by Councilmember Peppler, the City Council unanimously approved the tenant estoppels certificate and subordination, attornment and non-disturbance agreement with IXIS Real Estate Capital, Inc. for the downtown police substation on Orange Street and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City.

Independent Contractor Agreement - Marie Murphy - On motion of Councilmember Gilbreath, seconded by Councilmember Peppler, the City Council unanimously approved an independent contractor agreement with Marie Murphy for Spanish dance lessons for the Recreation Bureau and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City.

Bid Award - CVP Van - On motion of Councilmember Gilbreath, seconded by Councilmember Peppler, the City Council unanimously approved award of a bid to Shaver Auto Center for the purchase of one 2006 Chrysler Town and Country van for the amount of \$18,561.63 to be used by the Citizen Volunteer Patrol program. Funding for this vehicle is from the CVP donation account.

Independent Contractor Agreement - DASH - On motion of Councilmember Gilbreath, seconded by Councilmember Peppler, the City Council unanimously approved an independent contractor agreement with Developing Aging Solutions with Heart, Inc. (DASH) and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City.

COMMUNICATIONS

Greenhouse Gas Emission Reduction Targets - Councilmember Peppler reported the City received a request from the California Environmental Protection Agency on behalf of the Global Warming Action Campaign for a letter of support for the greenhouse gas emission reduction targets proposed by Governor Schwarzenegger. The targets announced by the Governor in June 2005 call for a reduction of greenhouse gas emission levels to 2000 levels by 2010, a reduction of the greenhouse gas emissions to 1990 levels by 2020, and a reduction of greenhouse gas emission to 80 percent below 1990 levels by 2050. Bill McEwen addressed the City Council in support of this request. Councilmember Gilbreath moved to authorize the Mayor to sign a letter of support to Governor Schwarzenegger urging the implementation of strategies to