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CHICAGO TITLE COMPANY

DOC # 2002-095313

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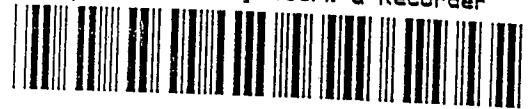
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Recorded in Official Records

County of Riverside

Gary L. Orso

Assessor, County Clerk & Recorder



State of California
Wildlife Conservation Board
Attention: Terri Muzik
1807 13th Street, Suite 103
Sacramento, CA 95814

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APN: 958-750-009, 015

TRA 94-182

Exempt from Det. 7.
CONSERVATION EASEMENT DEED

THIS CONSERVATION EASEMENT DEED is made this 7th day of October, 1999 by Pacific Bay Properties, Inc., a California corporation ("Grantor"), in favor of THE STATE OF CALIFORNIA ("Grantee"), acting by and through its Department of Fish and Game, a subdivision of the California Resources Agency, with reference to the following facts:

RECITALS

A. Grantor is the sole owner in fee simple of certain real property within the sphere of influence of the City of Temecula, Riverside County, State of California, known as Skunk Hollow, and more particularly described in Exhibit "A" attached hereto and incorporated by this reference (the "Property");

B. The Property possesses wildlife and habitat values (collectively, "conservation values") of great importance to Grantee, the people of the State of California, and the people of the United States;

C. The Property supports one of the single largest vernal pools remaining in California, along with approximately 90 percent of the pool's currently functioning watershed. The pool and its watershed support a high number of sensitive plant and animal species including the Riverside fairy shrimp (a federally Endangered Species) and California Orcutt grass. Because of its size, depth and presence of sensitive resources, the Skunk Hollow vernal pool is considered an aquatic resource of exceptional conservation importance;

D. The Department of Fish and Game has jurisdiction, pursuant to the Fish and Game Code Section 1802, over the conservation, protection, and management of fish, wildlife, native plants and the habitat necessary for biologically sustainable populations of those species, and the Department of Fish and Game is authorized to hold easements for these purposes pursuant to Civil Code Section 815.3, Fish and Game Code Section 1348, and other provisions of California law;

82 1972

E. The United States Fish and Wildlife Service (USFWS) has jurisdiction over the conservation, protection, restoration, enhancement and management of fish, wildlife and native plants and the habitats on which they depend under the Endangered Species Act, 16 U.S.C. section 1531 et seq. (ESA), the Fish and Wildlife Coordination Act, 16 U.S.C. section 661-666c and other applicable Federal laws;

F. In order to preserve the integrity of the Skunk Hollow vernal pool and its watershed, Grantor's predecessor-in-interest, CDFG and USFWS, and the U.S. Army Corps of Engineers have entered into the Barry Jones Wetland Mitigation Bank Memorandum of Agreement dated December 1997, (hereafter "Mitigation Bank Agreement") and incorporated by reference herein, which establishes in Grantor a duty to manage and protect the Property and specifies certain terms and conditions pursuant to which Grantor conveys this Easement over the Property;

G. This Conservation Easement provides protection for lands within the approved Barry Jones Wetland Mitigation Bank, located in western Riverside County, as required by the Mitigation Bank Agreement;

H. Grantor intends to convey to Grantee the right to preserve and protect the conservation values of the Property in perpetuity in exchange for Grantee's recognition of the future value of certain mitigation credits that may be sold by Grantor as set forth in the Mitigation Bank Agreement; and

I. Grantee agrees by accepting this grant to honor the intentions of Grantor stated herein and to preserve and to protect in perpetuity the conservation values of the property in accordance with the terms of this Conservation Easement for the benefit of this generation and the generations to come.

COVENANTS. TERMS. CONDITIONS AND RESTRICTIONS

In consideration of the above recitals and the mutual covenants, terms, conditions, and restrictions contained herein, and pursuant to California law, including Civil Code Section 815, *et seq.*, Grantor hereby grants and conveys to Grantee a conservation easement in perpetuity over the Property of the nature and character and to the extent hereinafter set forth ("Conservation Easement").

1. Purpose. The purpose of this Conservation Easement is to ensure the Property will be preserved in a natural condition in perpetuity in accordance with the Mitigation Bank Agreement and to prevent any use of the Property that will materially impair or interfere with the conservation values of the Property. Grantor intends that this Conservation Easement will confine the use of the Property to such activities, including without limitation, those involving the preservation and enhancement of native species and their habitat in a manner consistent with the habitat conservation purposes of this Conservation Easement.

2. Rights of Grantee. To accomplish the purposes of this Conservation Easement, Grantor hereby grants and conveys the following rights to Grantee, and USFWS as a third party beneficiary of this Conservation Easement, by this Conservation Easement Deed:

(a) To preserve and protect in perpetuity the conservation values of the Property in accordance with this Easement;



(b) To enter upon the Property at reasonable times in order to monitor Grantor's compliance with and to otherwise enforce the terms of this Conservation Easement. In addition, Grantee, the USFWS or their designees may enter the Property for research and interpretive purposes, subject to Grantor's approval, which approval shall not be withheld unreasonably;

(c) To prevent any activity on or use of the Property that is inconsistent with the purposes of this Conservation Easement and to require the restoration of such areas or features of the Property that may be damaged by any act, failure to act, or any use by Grantor that is inconsistent with the purposes of this Conservation Easement;

(d) All mineral, air and water rights necessary to protect and to sustain the biological resources of the Property;

(e) All present and future development rights, except that Grantor retains such rights as are necessary to conduct activities expressly provided for in the Mitigation Bank Agreement; and

(f) To enforce by means including, without limitation, injunctive relief, the terms and conditions of this Conservation Easement.

3. Prohibited Uses. Any activity on or use of the Property inconsistent with the habitat conservation purposes of this Conservation Easement and not specifically reserved as a right of Grantor is prohibited. Without limiting the generality of the foregoing, the following uses by Grantor and Grantor's agents are expressly prohibited unless specifically provided for in the Mitigation Bank Agreement or any approved management plan(s) for the Property;

- (a) Unseasonal watering, use of herbicides, rodenticides, or weed abatement activities, incompatible fire protection activities and any and all other uses which may adversely affect the purposes of this Conservation Easement;
- (b) Use of off-road vehicles except in the execution of management duties;
- (c) Grazing or surface entry for exploration or extraction of minerals;
- (d) Erecting of any building, billboard, sign excepting signs designating the boundaries and purpose of the Property;
- (e) Depositing of soil, trash, ashes, garbage, waste, bio-solids or any other material;
- (f) Excavating, dredging or removing of loam, gravel, soil, rock, sand or other material;
- (g) Otherwise altering the general topography of the Property, including building of roads;
- (h) Removing, destroying, or cutting of trees, shrubs or other vegetation, except as required by federal, state or local law or by governmental order for (1) fire breaks, (2) maintenance of existing foot trails or roads, or (3) prevention or treatment of disease.

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4. Grantor's Duties. Grantor shall undertake all reasonable actions to prevent the unlawful entry and trespass by persons whose activities may degrade or harm the conservation values of the Property.

5. Reserved Temporary Construction Easement. Notwithstanding any other provision of this Conservation Easement Deed, Grantor reserves a Temporary Construction Easement for the benefit of Grantor's surrounding lands (the "Benefitted Lands"). All of Grantor's lands are described more fully in the attached Exhibit "B" hereto. The Benefitted Lands are those described in Exhibit "B", but excluding therefrom the Property. The location and dimensions of the Temporary Construction Easement are depicted on Exhibit "C" hereto. Ingress to and egress from the Temporary Construction Easement shall be limited to three (3) points, located approximately at the arrows depicted on Exhibit "C".

Within the Temporary Construction Easement, Grantor shall have the rights to (i) modify the topography (including removal of soil material, placement of soil, and grading of slopes), (ii) remove and destroy trees, shrubs, and vegetation as necessary to complete work called for by approved grading or improvement plans, and (iii) drive construction equipment and vehicles over the Temporary Construction Easement. All activities within the Temporary Construction Easement shall be monitored by a qualified biologist.

Within the Temporary Construction Easement, Grantor shall not: (i) grade or otherwise disturb areas other than the identified Slope Areas, although construction vehicles and equipment may travel over the Temporary Construction Easement as set forth herein; (ii) use the Temporary Construction Easement as a staging area or for vehicular storage, and (iii) pioneer or construct temporary roads (excluding therefrom any permanent roads to be dedicated to a public entity and built as a condition to the development of the Bella Vista project).

Grantor agrees and covenants that any areas graded or disturbed by Grantor within the Temporary Construction Easement shall be hydroseeded with a Riversidian sage scrub mix. Irrigation shall not be required. Coverage after hydroseeding shall be reasonably equivalent to that which occurs naturally in surrounding undisturbed areas of Riversidian sage scrub. Any ruts caused by vehicles or equipment shall be restored.

This Temporary Construction Easement shall expire and be of no further effect after completion of all infrastructure required to be built as a condition of development of the Benefitted Lands. The rights, duties, and obligations of this Deed shall be binding upon and inure to the benefit of any successor in interest to Grantor and/or Grantee.

Grantor reserves to itself, and to its personal representatives, heirs, successors, and assigns, all rights accruing from its ownership of the Property, including the right to engage in or to permit or invite others to engage in all uses of the Property that are consistent with the purposes of this Conservation Easement.

6. Grantee's Remedies.

6.1 USFWS as a third party beneficiary of this Conservation Easement shall have the same rights and remedies as Grantee under this section. If Grantee determines that Grantor is in violation of the terms of this Conservation Easement or that a violation is threatened, Grantee shall give written notice to Grantor of such violation and demand in writing the cure of such violation. Grantor shall not be deemed in default until such written notice is

given. If Grantor fails to cure the violation within fifteen (15) days after receipt of said written notice and demand from Grantee, or said cure reasonably requires more than fifteen (15) days to complete and Grantor fails to begin the cure within the fifteen (15) day period or fails to continue diligently to complete the cure, and if Grantor fails to notify Grantee within fifteen (15) days after receipt of Grantee's written notice of violation that Grantor disputes Grantee's determination of violation (hereinafter, Grantor's "notice of dispute"), Grantee may bring an action at law or in equity in a court of competent jurisdiction to enforce compliance by Grantor with the terms of this Conservation Easement, to recover any damages to which Grantee may be entitled for violation by Grantor of the terms of this Conservation Easement, to enjoin the violation, *ex parte* as necessary, by temporary or permanent injunction without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies, or for other equitable relief, including, but not limited to, the restoration of the Property to the condition in which it existed prior to any such violation or injury. Grantee may apply any damages recovered to the cost of undertaking any corrective action on the Property.

Upon transfer to the Approved Holding Entity, the Approved Holding Entity will maintain an insurance policy in a form reasonably approved by the Legal Advisor to Department with a minimum of \$2 million of coverage per incident. If a court of competent jurisdiction determines that the Approved Holding Entity has violated any term of this easement, Grantor and Grantee agree that:

- (a) liability for damages is limited to acts or omissions covered by that policy and only to the dollar limits of that policy;
- (b) funds from the endowment which was created to manage the Property cannot be used to pay damages awarded as part of the judgment;
- (c) funds from the endowment which was created to manage the Property cannot be used to restore the Property to the condition in which it existed prior to the violation; and
- (d) at its discretion, Grantee may agree to accept fee title to the Property and management responsibility of the Property. If this occurs, Grantee will receive any funds which remain in the endowment and any other funds specified for the Property. Grantee's acceptance of the Property is subject to approval by the Department of General Services.

6.2 If Grantor provides Grantee with a notice of dispute, as provided herein, Grantee shall meet and confer with Grantor at a mutually agreeable place and time, not to exceed thirty (30) days from Grantee's receipt of the notice of dispute. Grantee shall consider all relevant information concerning the disputed violation provided by Grantor and shall determine whether a violation has in fact occurred and, if so, whether Grantee's notice of violation and demand for cure are appropriate in light of the violation. Grantee agrees to consider the following principles in making its determination:

- (a) Management activities shall be chosen for their long-term benefits to the Property's conservation values rather than for short-term benefits;



(b) Management activities that benefit habitat protection shall be chosen in favor of management activities designed to benefit individual species, except where State or Federally listed species are at issue;

(c) Habitat maintenance is of primary importance in protecting the long-term conservation values of the Property;

(d) Management activities shall be chosen according to the following order of preference:

(i) preventative actions shall be taken to avoid additional impact;

(ii) natural restoration shall be used if appropriate, based on the magnitude of the impact, the impacts on listed or sensitive species, and the estimated time for recovery to occur;

(iii) active restoration shall be required only where there are severe, long-term impacts to the Property's conservation values, or where highly sensitive species are impacted;

(e) If, and for so long as, Grantor's successor is a non-profit entity organized for conservation purposes, Grantee shall consider the cost of management activities and the resources available to Grantor's successor.

6.3 If Grantee, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the conservation values of the Property, Grantee may pursue its remedies under this paragraph without prior notice to Grantor or without waiting for the period provided for cure, or notice of dispute, to expire. Grantee's rights under this paragraph apply equally to actual or threatened violations of the terms of this Conservation Easement. Grantor agrees that Grantee's remedies at law for any violation of the terms of this Conservation Easement are inadequate and that Grantee shall be entitled to the injunctive relief describe in this section, both prohibitive and mandatory, in addition to such other relief to which Grantee may be entitled, including specific performance of the terms of this Conservation Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. Grantee's remedies described in this section shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity, including but not limited to, the remedies set forth in Civil Code Section 815, *et seq.*, inclusive.

If a court of competent jurisdiction determines that the Approved Holding Entity has violated any term of this easement, Grantor and Grantee agree that:

(a) liability for damages is limited to acts or omissions covered by the insurance policy identified in paragraph 6.1 and only to the dollar limits of that policy;

(b) funds from the endowment which was created to manage the Property cannot be used to pay damages awarded as part of the judgment;

(c) funds from the endowment which was created to manage the Property cannot be used to restore the Property to the condition in which it existed prior to the violation; and

(d) at its discretion, Grantee may agree to accept fee title to the Property and management responsibility of the Property. If this occurs, Grantee will receive any funds which remain in the endowment and any other funds specified for the Property. Grantee's acceptance of the Property is subject to approval by the Department of General Services.

6.4 If Grantor receives inconsistent or conflicting notices of violation from Grantee and from the USFWS, acting in its capacity as a third party beneficiary, Grantor shall notify Grantee and USFWS within fifteen (15) days of such receipt of the inconsistency or conflict. Grantor shall not be deemed in default or be required to take any action until such time as Grantee and the USFWS provide a joint written notice of violation. Joint notices of violation shall be treated the same as individual notices of violation under this Section 6. Specified time limits concerning notices of violation, and notices of dispute, shall be calculated from the date Grantor receives a joint notice of violation.

7. Conveyance "As-Is". Notwithstanding anything to the contrary contained herein, it is understood between the parties that the easement rights conveyed by this Deed are expressly subject to all matters of record as of the date of this Deed and are conveyed in an "AS IS" condition, "with all faults" as of such date.

8. Access. This Conservation Easement does not convey a general right of access to the public.

9. Costs and Liabilities. Grantor retains all responsibilities and shall bear all costs and liabilities of any kind including transfer costs, costs of title and documentation review, and costs related to the ownership, operation, upkeep, and maintenance of the Property.

9.1 Taxes. Grantor or subsequent transferees shall pay before delinquency all taxes, assessments, fees, and charges of whatever description levied on or assessed against the Property by competent authority (collectively "taxes"), including any taxes imposed upon, or incurred as a result of, this Conservation Easement, and shall furnish Grantee and USFWS with satisfactory evidence of payment upon request.

9.2 Hold Harmless. Grantor shall hold harmless, indemnify, and defend Grantee and its, directors, officers, employees, agents, contractors, and representatives (collectively "Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including without limitation, reasonable attorneys' fees, arising from or in any way connected with: injury to or the death of any person, or physical damages to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Property, regardless of cause, unless due to the negligence of any of the indemnified parties.

9.3 Condemnation. The purposes of the Conservation Easement are presumed to be the best and most necessary public use as defined at Code of Civil Procedure Section 1240.680 notwithstanding of Code of Civil Procedure Sections 1240.690 and 1240.700.

9.4 Acts Beyond Grantor's Control. Nothing contained in this Grant shall be construed to entitle Grantee or DFG to require Grantor to restore or remedy any injury to or change in the Property resulting from causes beyond Grantor's control, including,

without limitation, fire, flood, storm, and earth movement, or actions by third parties, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes.

10. Assignment. This Conservation Easement is transferable as provided in sections 10 and 11, but Grantee may assign its rights and obligations under this Conservation Easement only to an entity or organization authorized to acquire and hold conservation easements pursuant to Civil Code Section 815.3 and only with the prior written approval of USFWS. Grantee shall require the assignee to record the assignment in the county where the property is located.

11. Subsequent Transfers. The covenants, conditions, and restrictions contained in this Conservation Easement Deed are intended to run with the land and to bind all future owners of any interest in the Property. Grantor agrees to incorporate by reference the terms of this Conservation Easement in any deed or other legal instrument by which Grantor divests itself of any interest in all or a portion of the Property, including, without limitation, a leasehold interest. Grantor agrees to give written notice to Grantee and the USFWS of the intent to transfer of any interest at least forty-five (45) days prior to the date of such transfer. Any subsequent transferee shall be deemed to have assumed the obligations of this Conservation Easement and to have accepted the restrictions contained herein. Original Grantor Pacific Bay Properties, Inc. shall have no further obligations under the terms of this Conservation Easement Deed from and after the date of any such conveyance. The failure of Grantor or Grantee to perform any act provided in this section shall not impair the validity of this Conservation Easement or limit its enforceability in any way. Grantor shall not grant additional easements or other interests in the Property without the prior written authorization of Grantee and USFWS, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, a transfer of the Property to an affiliated entity shall not require any such consent. An "affiliated entity" shall be defined as a subsidiary of Pacific Bay Homes, or an entity resulting from a merger or consolidation of Pacific Bay Homes, or an entity sharing common ownership with Pacific Bay Homes. Further, conveyance to the Approved Holding Entity as defined in the Mitigation Bank Agreement shall not require a consent different from that required under that Agreement.

12. Notices. All notices, demands, requests, consents, approvals, or communications from one party to another shall be personally, delivered or sent by facsimile to the persons set forth below or shall be deemed given five (5) days after deposit in the United States mail, certified and postage prepaid, return receipt requested, and addressed as follows, or at such other address as any Party may from time to time specify to the other parties in writing:

To Grantor: PACIFIC BAY PROPERTIES, LLC
4041 MacArthur Blvd., #500
Newport Beach, CA 92660
Attn: Karin Krogius

To Grantee: Regional Manager
Department of Fish and Game
330 Golden Shore, Suite 50
Long Beach, CA 90802



General Counsel
Department of Fish and Game
Legal Affairs Division
1416 Ninth Street, 12th Floor
Sacramento, California 95814-2090

With a copy to: Field Supervisor
United States Fish and Wildlife Service
2730 Loker Avenue
Carlsbad, California 92008
Fax No. (760) 431-9440

The parties agree to accept facsimile signed documents and agree to rely upon such documents as if they bore original signatures. Each party agrees to provide to the other parties, within seventy-two (72) hours after transmission of a facsimile, documents which bear the original signatures.

13. Extinguishment. This Conservation Easement may not be extinguished or abandoned by Grantor and Grantee without the prior written consent of USFWS. If the USFWS consent is provided, this Conservation Easement may be extinguished or abandoned by Grantor and Grantee by mutual written agreement upon the request of either party only after the requesting party acquires and records a perpetual conservation easement in the name of the State of California at an alternative location, which provides conservation values that satisfy the specific mitigation purposes of this Conservation Easement as stated in Paragraph E.

14. Amendment. This Conservation Easement may be amended by Grantor, Grantee and USFWS by mutual written agreement. Any such amendment shall be consistent with the purposes of this Conservation Easement and, except as provided in Section 13, shall not affect its perpetual duration. Any such amendment shall be recorded in the official records of Riverside County, State of California.

15. Recordation. Grantee shall promptly record this instrument in the official records of Riverside County, California and immediately notify the Grantee and USFWS through the mailing of a conformed copy of the recorded easement.

16. Estoppel Certificates. Upon request by Grantor, DFG shall within fifteen (15) days execute and deliver to Grantor any document, including an estoppel certificate, which certifies Grantor's compliance with any obligation of Grantor contained in this Easement and otherwise evidences the status of this Grant as may be requested by Grantor.

17. General Provisions.

(a) Controlling Law. The interpretation and performance of this Conservation Easement shall be governed by the laws of the State of California and applicable federal law. Any subsequent amendment or repeal of federal or state law or order which authorizes this Grant shall not affect the rights conveyed to the Grantee or its successors or assigns.

(b) Liberal Construction. Any general rule of construction to the contrary notwithstanding, this Conservation Easement shall be liberally construed in favor of the deed to effect the purpose of this Conservation Easement and the policy and purpose Civil Code Section

815, *et seq.* If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purposes of this Conservation Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.

(c) Severability. If a court of competent jurisdiction voids or invalidates on its face any provision of this Conservation Easement Deed, such action shall not affect the remainder of this Conservation Easement Deed. If a court of competent jurisdiction voids or invalidates the application of any provision of this Conservation Easement to Deed to a person or circumstance, such action shall not affect the application of the provision to other persons or circumstances.

(d) Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to the Conservation Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Conservation Easement all of which are merged herein. No alteration or variation of this instrument shall be valid or binding unless contained in an amendment in accordance with Section 14.

(e) No Forfeiture. Nothing contained herein will result in a forfeiture or reversion of Grantor's title in any respect.

(f) Successors. The covenants, terms, conditions, and restrictions of this Conservation Easement Deed shall be binding upon, and inure to the benefit of, the parties hereto and their respective personal representatives, heirs, successors, and assigns and shall continue as a servitude running in perpetuity with the Property. The covenants hereunder benefitting Grantee shall also benefit USFWS.

(g) Termination of Rights and Obligations. A party's rights and obligations under this Conservation Easement shall terminate only upon transfer of the party's interest in the Conservation Easement or Property (respectively), except that liability for acts or omissions occurring prior to transfer shall survive transfer.

(h) Captions. The captions in this instrument have been inserted solely for convenience of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.

(i) Counterparts. The parties may execute this instrument in two or more counterparts, which shall, in the aggregate, be signed by Grantor and Grantee; each counterpart shall be deemed an original instrument as against any party who has signed it. In the event of any disparity between the counterparts produced, the recorded counterpart shall be controlling.

(j) Exhibits. All Exhibits referred to in this Easement are attached and incorporated herein by reference.

(k) Federal or State Appropriations. The duty of USFWS and CDFG to carry out their respective obligations under this Easement shall be subject to the availability of appropriated funds.

IN WITNESS WHEREOF, Grantor has caused this Conservation Easement Deed to be executed as of the day and year first above written.

GRANTOR:



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PACIFIC BAY PROPERTIES, INC.

BY: Karin L. Krogus
Karin L. Krogus
Its: Vice President

PACIFIC BAY PROPERTIES, INC.

BY: Karin L. Krogus
Karin L. Krogus
Its: _____

I hereby certify that all conditions for exemption have been met and that this document is exempt from Department of General Services approval.

WILDLIFE CONSERVATION BOARD

By: [Signature]
(authorized signatory)

Approved as to Form:

Ann S. Malcolm
ANN S. MALCOLM, Deputy General Counsel
CALIFORNIA DEPARTMENT OF FISH AND GAME

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of

Orange

SS.

On October 7, 1999, before me, Cheryl Kelly, a Notary Public

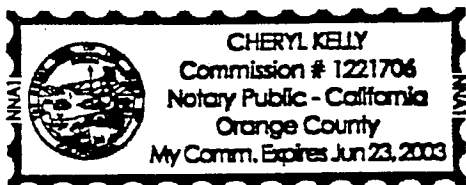
Date

Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Karin T. Krogius

Name(s) of Signer(s)

- ☒ personally known to me
☐ 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)~~ acted, executed the instrument.

WITNESS my hand and official seal.

Place Notary Seal Above

Cheryl Kelly
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 removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

EXHIBIT "A"
ADJUSTED REMAINDER PARCEL
A.P.N. 958-250-003 THRU 007 INCLUSIVE AND 958-250-009

A portion of Lot 1, and portions of Lots 18 through 20 inclusive per Tract 25619-1 as filed in Book 221 Pages 63 through 74 inclusive of Maps, Records Riverside County, California, and a portion of Section 17, Township 7 South, Range 2 West, San Bernardino Base and Meridian, more particularly described as follows:

BEGINNING at the Southeast corner of said Section 17;
THENCE along the Southerly line of said Section 17 North $88^{\circ}37'03''$ West 1577.24 feet;
THENCE North $16^{\circ}48'53''$ East 323.30 feet to the Northerly 55.00 foot half width sideline of Murrieta Hot Springs Road;
THENCE North $38^{\circ}25'56''$ West 87.50 feet;
THENCE North $00^{\circ}54'21''$ East 84.87 feet;
THENCE North $62^{\circ}21'07''$ West 65.88 feet;
THENCE North $27^{\circ}19'58''$ West 190.52 feet;
THENCE North $35^{\circ}25'16''$ West 94.61 feet to the beginning of a non-tangent 86.13 foot radius curve concave Southwesterly, a radial bears North $54^{\circ}35'23''$ East;
THENCE Northwesterly along the arc of said curve through a central angle of $83^{\circ}07'21''$ a distance of 124.95 feet;
THENCE South $61^{\circ}28'01''$ West 33.11 feet to the beginning of a tangent 130.00 foot radius curve concave Northerly;
THENCE Westerly along the arc of said curve through a central angle of $73^{\circ}54'28''$ a distance of 167.69 feet;
THENCE North $44^{\circ}37'30''$ West 415.78 feet;
THENCE North $52^{\circ}15'44''$ West 220.69 feet;
THENCE North $77^{\circ}40'50''$ West 83.52 feet;
THENCE North $15^{\circ}12'54''$ East 91.57 feet;
THENCE North $00^{\circ}13'35''$ West 101.68 feet;
THENCE North $06^{\circ}43'07''$ East 219.99 feet;
THENCE North $13^{\circ}35'13''$ East 204.45 feet;
THENCE North $04^{\circ}39'13''$ East 259.67 feet;
THENCE North $12^{\circ}21'23''$ East 124.85 feet to the beginning of a tangent 1296.00 foot radius curve concave Southeasterly;
THENCE Northeasterly along the arc of said curve through a central angle of $21^{\circ}37'51''$ a distance of 489.28 feet to the beginning of a reverse 75.00 foot radius curve concave Northwesterly, a radial bears South $09^{\circ}39'13''$ East;
THENCE Northeasterly along the arc of said curve through a central angle of $88^{\circ}06'22''$ a distance of 115.33 feet to the beginning of a reverse 1296.06 foot radius curve concave Southeasterly, a radial bears North $51^{\circ}24'02''$ West;



THENCE Northeasterly along the arc of said curve through a central angle of $5^{\circ}14'39''$ a distance of 118.63 feet;

THENCE North $70^{\circ}44'28''$ East 26.19 feet to the beginning of a non-tangent 117.53 foot radius curve concave Northerly, a radial bears South $13^{\circ}25'16''$ West;

THENCE Northeasterly along the arc of said curve through a central angle of $56^{\circ}00'18''$ a distance of 114.88 feet to the beginning of a compound 60.00 foot radius curve concave Northerly, a radial bears South $03^{\circ}06'08''$ West;

THENCE Northeasterly along the arc of said curve through a central angle of $73^{\circ}55'00''$ a distance of 77.41 feet;

THENCE North $19^{\circ}11'08''$ East 32.38 feet;

THENCE North $59^{\circ}25'35''$ East 19.39 feet;

THENCE South $80^{\circ}19'59''$ East 109.93 feet;

THENCE South $57^{\circ}16'53''$ East 35.64 feet;

THENCE South $34^{\circ}13'46''$ East 130.42 feet to the beginning of a tangent 150.00 foot radius curve concave Northeasterly;

THENCE Southeasterly along the arc of said curve through a central angle of $52^{\circ}01'10''$ a distance of 136.19 feet to the beginning of a reverse 180.00 foot radius curve concave Southwesterly, a radial bears North $3^{\circ}45'04''$ East;

THENCE Southeasterly along the arc of said curve through a central angle of $50^{\circ}36'21''$ a distance of 158.98 feet to the beginning of a reverse 120.00 foot radius curve concave Northeasterly, a radial bears South $54^{\circ}21'26''$ West;

THENCE Southeasterly along the arc of said curve through a central angle of $21^{\circ}16'45''$ a distance of 44.57 feet to the beginning of a reverse 150.00 foot radius curve concave Southwesterly, a radial bears North $33^{\circ}04'41''$ East;

THENCE Southeasterly along the arc of said curve through a central angle of $41^{\circ}19'00''$ a distance of 108.17 feet;

THENCE South $15^{\circ}36'18''$ East 93.82 feet;

THENCE South $43^{\circ}46'02''$ East 81.63 feet;

THENCE South $32^{\circ}20'49''$ East 67.27 feet;

THENCE South $23^{\circ}11'00''$ East 15.44 feet to the beginning of a tangent 110.00 foot radius curve concave Northeasterly;

THENCE Southeasterly along the arc of said curve through a central angle of $102^{\circ}04'41''$ a distance of 195.98 feet;

THENCE North $54^{\circ}44'18''$ East 51.48 feet to the beginning of a non-tangent 700.00 foot radius curve concave Southeasterly, a radial bears North $67^{\circ}05'14''$ West;

THENCE Northeasterly along the arc of said curve through a central angle of $14^{\circ}19'47''$ a distance of 175.07 feet;

THENCE North $37^{\circ}14'33''$ East 67.79 feet to the beginning of a tangent 130.00 foot radius curve concave Southeasterly;

THENCE Northeasterly along the arc of said curve through a central angle of $61^{\circ}02'45''$ a distance of 138.51 feet;

THENCE North $15^{\circ}49'08''$ East 3.72 feet;

THENCE South $89^{\circ}56'15''$ East 24.06 feet to the beginning of a tangent 100.00 foot radius curve concave Southerly;

THENCE Easterly along the arc of said curve through a central angle of $14^{\circ}28'30''$ a distance of 25.26 feet;

THENCE South $75^{\circ}27'45''$ East 51.87 feet;

THENCE South $73^{\circ}05'46''$ East 31.34 feet;

THENCE South $79^{\circ}11'41''$ East 35.29 feet;

THENCE South $83^{\circ}28'35''$ East 64.74 feet;

THENCE South $76^{\circ}56'18''$ East 85.87 feet;

THENCE South $57^{\circ}11'48''$ East 124.53 feet to the beginning of a tangent 200.00 foot radius curve concave Northeasterly;

THENCE Southeasterly along the arc of said curve through a central angle of $32^{\circ}44'26''$ a distance of 114.29 feet;

THENCE South $89^{\circ}56'14''$ East 65.08 feet;

THENCE North $80^{\circ}05'54''$ East 68.75 feet;

THENCE South $88^{\circ}16'35''$ East 159.80 feet to the beginning of a tangent 200.00 foot radius curve concave Southwesterly;

THENCE Southeasterly along the arc of said curve through a central angle of $24^{\circ}29'28''$ a distance of 85.49 feet;

THENCE South $60^{\circ}06'50''$ East 13.67 feet to the Easterly line of said Section 17;

THENCE along said line South $00^{\circ}33'06''$ East 2426.60 feet;
to the POINT OF BEGINNING.

EXCEPTING, the portion of the land lying within said Section 17 as described in Instrument No. 2207, recorded January 9, 1968, records of said County.

Containing 137.53 acres more or less.



Robert A. Stockton, R.C.E. 33591

License Expires 6-30-2002

6.21.99

Date:

13108/legals/bellallia.lgl

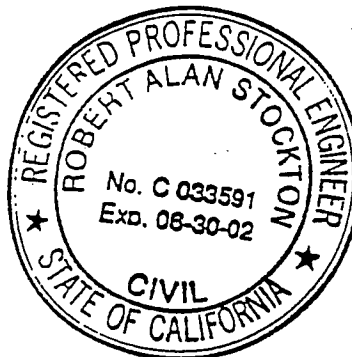


EXHIBIT "B"

DESCRIPTION

PARCEL 1:

LOTS 1 THROUGH 20, INCLUSIVE, OF TRACT NO. 25619-1, AS SHOWN BY MAP ON FILE IN BOOK 221 PAGES 63 THROUGH 74, OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

EXCEPTING FROM SAID LOTS 17 AND 18 THAT PORTION CONVEYED TO EASTERN MUNICIPAL WATER DISTRICT, A MUNICIPAL WATER DISTRICT, IN GRANT DEED RECORDED MARCH 5, 1991 AS INSTRUMENT NO. 72218 OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2:

ALL OF SECTION 17, IN TOWNSHIP 7 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF;

EXCEPT FROM SECTION 17 THAT PORTION DESCRIBED IN THE DEED TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, RECORDED JANUARY 9, 1968 AS IN INSTRUMENT NO. 2207 OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

ALSO EXCEPTING THEREFROM ANY PORTION INCLUDED WITHIN TRACT 25619-1 AS SHOWN BY MAP ON FILE IN BOOK 221 PAGES 63 THROUGH 74, INCLUSIVE, OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.



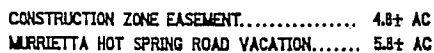


EXHIBIT C

Barry Jones Mitigation Bank
Pacific Bay Properties
Riverside County - 140 acres

CERTIFICATE OF ACCEPTANCE

THIS IS TO CERTIFY that the interest in real property conveyed by the Conservation Easement Deed dated October 7, 1999 from Pacific Bay Properties, Inc., a California Corporation ("Grantor"), to the State of California, ("Grantee"), acting by and through its Department of Fish and Game, a governmental agency (under Government Code section 27281), is hereby accepted by the undersigned officer on behalf of the State of California, Department of Fish and Game, pursuant to authority conferred by authorization of the Fish and Game Commission, Department of Fish and Game, Resources Agency, State of California, adopted on February 3, 2001 and the grantee consents to the recordation thereof by its duly authorized officer.

STATE OF CALIFORNIA
Resources Agency
Department of Fish and Game

By Al Wright
Al Wright
Executive Director
Wildlife Conservation Board

Date 9/12/01

