

**Conservation Credit Purchase Agreement  
& Acknowledgement of Sale**

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SACRAMENTO FISH  
& WILDLIFE OFFICE

AGREEMENT FOR SALE OF  
VERNAL POOL PRESERVATION CREDITS  
SERVICE File No. MB-014 / 1-1-98-TA-1607

This Agreement is entered into April 26, 2004 by and between BRYTE RANCH OWNERS (Bank) and KB Home North Bay Inc., (Project Proponent) as follows:

RECITALS

A. The Bank has developed the vernal pool preservation bank located in Sacramento County, California; and

B. The Bank has developed the vernal pool preservation bank which was approved by the United States Fish and Wildlife Service and the California Department of Fish and Game on June 24, 2002; and

C. The Bank has received approval from the U.S. Fish and Wildlife Service (Service) to offer Vernal Pool Preservation Credits for sale as compensation for the loss of vernal pool fairy shrimp (*Branchinecta lynchi*) and vernal pool tadpole shrimp (*Lepidurus packardii*); and

D. Project Proponent is seeking to implement the project described on Exhibit "A" attached hereto (Project), which would unavoidably and adversely impact vernal pool fairy shrimp (*Branchinecta lynchi*) and vernal pool tadpole shrimp (*Lepidurus packardii*), and seeks to compensate for their loss by purchasing compensatory credits from Bank; and

E. Project Proponent has been authorized by the Service File No. 1-1-01-F-097 to purchase from the Bank 0.270 Vernal Pool Preservation Credits to comply with; and

F. Project Proponent desires to purchase from Bank and Bank desires to sell to Project Proponent 0.270 Vernal Pool Preservation Credits;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Bank hereby sells to Project Proponent and Project Proponent hereby purchases from Bank 0.270 Vernal Pool Preservation Credits for the purchase price of

**Thirty-Four Thousand and Fifty Dollars (\$34,050.00)**

This price includes a three hundred dollar escrow fee. The Bank will then deliver to Project Proponent an executed Bill of Sale in the manner and form as attached hereto and marked Exhibit "B". The purchase price for said credits shall be paid by wire transfer of funds according to written instructions by Bank to Project Proponent.

2. The sales and transfer herein is not intended as a sale or transfer to Project Proponent of a security, license, lease, easement, or possessory or non-possessory interest in real property, nor the granting of any interest of the foregoing.

3. Project Proponent shall have no obligation whatsoever by reason of the purchase of the compensatory credits, to support, pay for, monitor, report on, sustain, continue in perpetuity, or otherwise be obligated or liable for the success or continued expense or maintenance in perpetuity of the credits sold, or the Bank. Pursuant to the Bryte Ranch Conservation Bank Agreement, dated June 24, 2002, Bank shall monitor and make reports to the appropriate agency or agencies on the status of any compensatory credits sold to Project Proponent. Bank shall be fully and completely responsible for satisfying any and all conditions placed on the Bank or the compensatory credits, by all state or federal jurisdictional agencies.

4. The compensatory credits sold and transferred to Project Proponent shall be non-transferable and non-assignable, and shall not be used as compensatory mitigation for any other Project or purpose, except as set forth herein.

5. Project Proponent must exercise his/her/its right to purchase within 30 days of the date of this Agreement. After the 30-day period this Agreement will be considered null and void.

6. Upon purchase of Vernal Pool Conservation Credits specified in paragraph D above, the Bank shall complete the payment receipt form attached hereto as Exhibit "C", and shall submit the completed payment receipt to the Service.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

BANK

BRYTE RANCH CONSERVATION BANK

By: Stephen French  
Title: Bank Sponsor  
Dated: May 4, 2004

PROJECT PROPONENT

KB Home North Bay Inc.

By: John A Barnhart  
Title: VP LAND DEV  
Dated: 5-4-04

APPROVED

SERVICE: This Agreement fulfills the 0.270 credits of vernal pool preservation habitat mitigation, as specified under Service File No. 1-1-04-F-097 dated April 9, 2004.

UNITED STATES DEPARTMENT OF THE INTERIOR  
FISH AND WILDLIFE SERVICE

By: Ken Sanchez  
Title: ASSISTANT FIELD SUPERVISOR  
Dated: 5/24/04

Exhibit "A"

**DESCRIPTION OF PROJECT  
TO BE  
MITIGATED**

Bond Ridge Project  
Service File No.1-1-04-F-097  
Corp Number 200200527  
Sacramento County, California

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Exhibit "B"

**BILL OF SALE**

Contract # 25 Bryte Ranch

Service File No.1-1-04-F-097

Corps No. 200200527

In consideration of

**Thirty-Four Thousand and Fifty Dollars (\$34,050.00),**  
receipt of which is hereby acknowledged, Bryte Ranch Conservation Bank does hereby bargain, well and transfer to KB Home North Bay Inc., 0.270 credits in the Bryte Ranch Conservation Bank in Sacramento County, California, developed, and approved by the U. S. Fish and Wildlife Service and the CA Department of Fish and Game.

BRYTE RANCH OWNERS represents and warrants that it has good title to the credits, has good right to sell the same, and that they are free and clear of all claims, liens, or encumbrances.

BRYTE RANCH OWNERS covenants and agrees with the buyer to warrant and defend the sale of the credits hereinbefore described against all and every person and persons whomsoever lawfully claiming or to claim the same.

BRYTE RANCH OWNERS

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

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

Exhibit "C"

**BRYTE RANCH CONSERVATION BANK  
VERNAL POOL PRESERVATION CREDITS: PAYMENT RECEIPT**

**PARTICIPANT INFORMATION**

Name: KB Home North Bay Inc.  
Contact: Mr. John Barnhart  
Address: 611 Orange Drive  
Vacaville, CA 95687  
Telephone: (707) 469-2400 Fax: 451-6271

**PROJECT INFORMATION**

Project Description: Bond Ridge Project

Service File Number: 1-1-04-F-097

Species/Habitat Affected: Vernal pool fairy shrimp (*Branchinecta lynchi*) and  
Vernal pool tadpole shrimp (*Lepidurus packardii*)

Credits to be Purchased: 0.270

Payment Amount:

**Thirty-Four Thousand and Fifty Dollars (\$34,050.00)**

Project Location: Sacramento County, CA

**PAYMENT INFORMATION**

Payee: BRYTE RANCH OWNERS

Payer: KB Home North Bay Inc.

Amount:

**Thirty-Four Thousand and Fifty Dollars (\$34,050.00)**

Method of payment: WIRE TRANSFER OF FUNDS

To: Fidelity National Title Company  
Comerica Bank, Beverley Hills, CA  
Route Number: 121137522  
Account Number: 1891612945  
**Escrow Number** \_\_\_\_\_  
2180 Harvard Street  
Sacramento, CA  
(916) 923-9134

By: \_\_\_\_\_  
Mercedes Bennett

Title: \_\_\_\_\_ Date: \_\_\_\_\_



# United States Department of the Interior



FISH AND WILDLIFE SERVICE  
Sacramento Fish and Wildlife Office  
2800 Cottage Way, Room W-2605  
Sacramento, California 95825-1846

In reply refer to:  
1-1-04-TA-1672

**MAY 24 2004**

Steve French  
Bank Sponsor  
Bryte Ranch Conservation Bank  
4111 Lush Drive  
Sacramento, California 95864

Subject: Compensation for Bond Ridge Project, Sacramento County, California

Dear Mr. French:

The project proponent for the Bond Ridge project proposes to minimize the effects of the project on federally-listed vernal pool fairy shrimp (*Brachinecta lynchi*) and vernal pool tadpole shrimp (*Lepidurus packardi*) by purchasing credits at the Bryte Ranch Conservation Bank (Bank), located in Sacramento County. The project proponent proposes purchasing 0.27 vernal pool preservation credits at the Bank, in accordance with a U.S. Fish and Wildlife Service (Service) programmatic biological opinion and letter of appendage (Service files 1-1-96-F-1 and 1-1-04-F-0097), dated February 26, 1996, and April 9, 2004, respectively. The enclosed Agreement For Sale of Vernal Pool Preservation Credits (Agreement) has been approved and signed by the Service. Attached to the Agreement are: Exhibit "A", Description of Project to be Mitigated; Exhibit "B", Bill of Sale; and Exhibit "C", Payment Receipt.

Please complete and sign the Exhibits with the project proponent. The Service will consider the preservation component of the compensation requirements for the Bond Ridge project completed when we receive the fully executed Agreement and associated Exhibits.

TAKE PRIDE  
IN AMERICA 

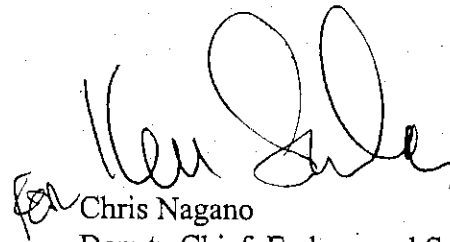


Mr. Steve French

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If you have questions regarding this sales agreement for the Bond Ridge project, please contact Kelly Fitzgerald or Adam Zerrenner, Sacramento Valley Branch Chief, of my staff at (916) 414-6645.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Nagano". The signature is written in a cursive style with large, looping letters.

Chris Nagano  
Deputy Chief, Endangered Species Division

Enclosures

cc:

ARD (ES), Portland, OR

KB Home North Bay Inc., Vacaville, CA (Attn: John Barnhart)

CDFG, Rancho Cordova, CA (Attn: Terry Roscoe)

## Available Vernal Pool Preservation Credits for the Proposed Bryte Ranch Conservation Bank, Sacramento County, California

CATEGORY	POINTS
1) Preserve Size (573 acres)	1.146
2) Rare Vernal Pool Type	0.000
3) Listed, etc. Species ( <i>Lepidurus packardi</i> , <i>Branchinecta lynchi</i> ) (surveys not completed, more points may be awarded)	2.000
4) Rare Species of Particular Concern (surveys not completed, more points may be awarded)	0.000
5) Condition of the Site	
Native Species Diversity and Richness (max. poss. 0.8 pts.)	0.800
Habitat Diversity (max. poss. 0.6 pts.)	0.600
Degree of Physical Disturbance (max. poss. 0.4 pts.)	0.300
Degree of Exotic Infestation (max. poss. 0.2 pts.)	0.180
6) Defensibility of the Site	
Adjacent Land Uses (max. poss. 0.8 pts.)	0.700
Watershed Integrity and Defensibility (max. poss. 0.8 pts.)	0.600
Edge Effects (max. poss. 0.4 pts.)	0.350
Total Points	
	6.676

**Bank Value** =  $6.670 \div 6 = 1.113$

**Total Credits** =  $1.113 \times 141.820^*$  acres of vernal pools/swales = **157.846**

\*Vernal pools account for 138.18 acres and swales account for 3.64 acres of these wetlands which support, or are very likely to support, federally listed species based on recently conducted biological surveys. Approximately 30 additional acres of other seasonal wetlands may support listed species. These additional acres are not included above and further studies need to be conducted to determine if they support listed species. The project applicant will have two years from the date the Bryte Ranch Conservation Bank Project Agreement is signed by the U.S. Fish and Wildlife Service and the California Department of Fish and Game to conduct the studies.

138.18  
3.64  
141.82

Revised 30 May 2000