

Attachment D

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RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

County of Monterey
Housing and Community Development
1441 Schilling Place, 2nd Floor
Salinas, California 93901
Attn: Armando Fernandez

SUBDIVISION IMPROVEMENT AGREEMENT

RANCHO CANADA VILLAGE SUBDIVISION

PLN040061-AMD1

THIS SUBDIVISION IMPROVEMENT AGREEMENT (“Agreement”) is made and effective as of the last date opposite the respective signatures below by and between the County of Monterey, a political subdivision of the State of California, hereafter “**COUNTY**”, **Rancho Canada Venture, LLC a California limited liability company**, hereafter “**RCV**” or “**SUBDIVIDER**”, and **Lombardo Land Group I, LP, a California limited partnership**, hereafter “**OWNER**”.

RECITALS

This Agreement is made with respect to the following facts which each party acknowledges as true and correct:

PROPERTY OWNERS OF RECORD: OWNER is the property owner of record of the real property more particularly described in **Exhibit “A – legal description of the property”** attached hereto and made a part hereof, situated in Monterey County, California (hereinafter “the Property”). OWNER hereby consents to recordation of this Agreement with the COUNTY Recorder’s Office. OWNER and SUBDIVIDER, intend that OWNER will transfer the property to SUBDIVIDER following recordation of the final map. While the intent is that SUBDIVIDER will construct the improvements under this Agreement, it is understood that if SUBDIVIDER does not succeed to the ownership of the property, OWNER remains responsible for the obligations set forth in this Agreement.

Title of Improvement Plans: Rancho Canada Village Subdivision Improvement Plans

Permit No. PLN040061-AMD1: A Combined Development Permit, PLN040061-AMD1, was originally granted on July 27, 2021 by COUNTY in accordance with Board of Supervisors Findings, Evidence, Conditions of Approval and mitigation measures contained in Resolution No. 21-309 on file with the Clerk of the Board of Supervisors and the County Department of Housing and Community Development (HCD) and hereby incorporated by this reference. (Board of Supervisor Resolution No. 21-309.)

Vesting Tentative Map Resolution of Approval No. 21-309 (hereafter, “Resolution of Approval” or “Resolution No. 21-309”): Monterey County Board of Supervisors

Resolution No. 21-309 (Planning File/Permit No. PLN040061 and PLN040061-AMD1) on file with the Clerk of the Board of Supervisors and incorporated by this reference.

Final Map: Rancho Canada Village (“SUBDIVISION”)

Name of Surety or Financial or Other Institution Providing Security Instrument

A deed of trust in favor of the County of Monterey, in the form attached hereto as **Exhibit B** and incorporated herein by reference, shall be recorded concurrently with the recordation of the final map and recordation of this AGREEMENT (hereafter referred to as “Surety”).

Company Name First American Title Company
Street Address 7th Ave. Btwn San Carlos & Mission
Carmel-by-the-Sea, CA 93921

Contact Person: Natalie Nickerson

Estimated Cost of Improvements:

Clearing and Grading:	\$2,506,658
Streets – Private	\$2,980,846
Streets – Public	\$107,107
Sewer	\$1,713,765
Storm Drain	\$3,444,088
Water	\$1,647,570
Electrical / Joint Utilities	\$2,263,980
Miscellaneous	\$3,604,800

Micellaneous (Levee)	\$510,000
Micellaneous (Walkways)	\$132,985
Landscaping	\$385,000
Estimated Total Cost of Improvements:	\$19,296,799
10% Contingency	\$1,926,680
Estimated Total Cost of Improvements including Contingency:	\$21,226,479
Form of Security, if other than bond:	Deed of Trust ¹
Warranty Security (20% of Est. Total Cost)²	\$3,859,360
Estimated Total Cost of Monumentation:	\$26,000
Form of Security, if other than bond:	Deed of Trust ¹
¹ COUNTY shall be the holder of Deed of Trust recorded against the subject Property	
² This Bond or Surety shall be provided to COUNTY upon acceptance of the completed subdivision improvements by COUNTY	

A. SUBDIVIDER has presented to COUNTY for approval and recordation a final map of a proposed subdivision pursuant to the Subdivision Map Act (California Government Code Section 66410 et. seq.) and COUNTY ordinances and regulations relating to the filing, approval and recordation of subdivision maps. The Subdivision Map Act at California Government Code Section 66410 et. seq. and COUNTY ordinances relating to the filing, approval and recordation of subdivision maps are collectively referred to in this Agreement as the “Subdivision Laws.”

B. A vesting tentative map (“VTM”) of the SUBDIVISION has been approved subject to the Subdivision Laws and to the requirements of the project conditions of approval (“Conditions of Approval”), which include the adopted mitigation measures. (Board of Supervisors Resolution No. 21-309, adopted July 27, 2021.) The Board also adopted the Condition of Approval/Mitigation Monitoring and Reporting Plan” (“MMRP”). (Board of Supervisors Resolution No. 21-309). Concurrent with the approval of the VTM, the Board of Supervisors certified an EIR (Board of Supervisors Resolution No. 21-307) and adopted a zoning ordinance rezoning the property (Ord. No. 5360, adopted July 27, 2021). Additionally, the Board of Supervisors had previously amended the General Plan with respect to Policy CV-1.27 of the Carmel Valley Master Plan to modify the requirements for affordable housing within the VTM’s special

treatment area (Resolution No. 16-334, adopted December 13, 2016, which went into effect following litigation). These resolutions and the zoning ordinance are on file with the Clerk of the Board of Supervisors and HCD.

C. In consideration of approval of a final map for the SUBDIVISION by the COUNTY Board of Supervisors and in compliance with the Conditions of Approval of the Combined Development Permit, OWNER and SUBDIVIDER desire to enter into this Agreement, whereby OWNER and SUBDIVIDER promise to install and complete, at SUBDIVIDER'S own expense, all the improvement work required by COUNTY (hereinafter "Improvements") in connection with the proposed subdivision. OWNER has secured this Agreement by improvement security required by the Subdivision Laws, including but not limited to California Government Code Section 66499.1 and Section 66499.2, and approved by the Department of Public Works, Facilities and Parks (PWFP) and approved as to form by the Office of the County Counsel.

D. Complete Improvement Plans for the construction, installation and completion of the Improvements have been prepared by SUBDIVIDER for this SUBDIVISION and approved by the COUNTY Engineer (hereinafter "Improvement Plans"). The Improvement Plans for this subdivision are on file with the COUNTY Engineer and are incorporated into this Agreement by reference. All references in this Agreement to the Improvement Plans shall include reference to any specifications for the Improvements as approved by the COUNTY Engineer. The term "COUNTY Engineer" as used in this Agreement refers to the COUNTY Director of Public Works, Facilities and Park or the Director's designee licensed to practice civil engineering in the State of California. Project Conditions of Approval and the MMRP contained in Resolution No. 21-309 are a part of and hereby incorporated into the Improvement Plans.

E. Within 30 days after completion of the required Improvements and their acceptance or approval by COUNTY, it is necessary that certain monuments and stakes as specified on the final map for the SUBDIVISION be installed.

F. The requirements of all Project Conditions of Approval and the MMRP shall run with the land and are binding upon OWNER and upon the successors and assigns of OWNER. Where this Agreement identifies obligations of the SUBDIVIDER, the intention is that SUBDIVIDER will perform such obligations, but OWNER remains responsible to ensure the obligations of this Agreement are performed.

NOW, THEREFORE, in consideration of the approval and recordation by the COUNTY of the final map of the SUBDIVISION, and the mutual covenants and

agreements contained herein, OWNER, SUBDIVIDER, and COUNTY agree as follows:

1. **SUBDIVIDER'S Obligations to Construct Improvements.** SUBDIVIDER shall:
 - a. Comply with all the requirements of Resolution No. 21-309, including the MMRP and the Conditions of Approval for the vesting tentative map for the SUBDIVISION.
 - b. Construct and install at SUBDIVIDER'S own expense all the Improvements in conformance with the Improvement Plans and applicable COUNTY and State standards.
 - c. All required off-site Improvements included in the Improvement Plans shall be completed prior to or concurrently with on-site work and shall be completed to the satisfaction of the COUNTY Engineer prior to the granting of occupancy for any new unit.
 - d. Begin the construction and installation of the Improvements within FOUR (4) years from the COUNTY'S approval of said final map and complete the construction and installation of the Improvements within FIVE (5) years from the COUNTY'S approval of said final map, provided, however, that any Improvements necessary for the income-restricted affordable rental units shall be commenced and constructed within the timeframe necessary to meet the deadlines for construction and occupancy of the affordable units, as specified in the Affordable Housing Agreement and Condition of Approval number 112. Any extension of the completion date specified in this Agreement shall be in accordance with the provisions of Title 19 of the Monterey County Code. Any such extension may be granted without notice to SUBDIVIDER'S Surety and shall not affect the validity of this Agreement or release the Surety or Sureties on any security given under this Agreement. Strikes, boycotts, or similar actions by employees or labor organizations which prevent the conducting of work and which were not caused by or contributed to by SUBDIVIDER, shall constitute good cause for an extension of the time for completion. As a condition of such extension, the COUNTY Engineer may require SUBDIVIDER to furnish new security guaranteeing performance of this Agreement as extended in an increased amount as necessary to compensate for any increase in construction costs as determined by the COUNTY Engineer.

- e. Acquire and dedicate, or pay the cost of acquisition by COUNTY, of all rights-of-way, easements and other interests in real property for construction or installation of the Improvements, free and clear of all liens and encumbrances that compromise or interfere with the intended purposes of the rights-of-way, easements, or other interests. SUBDIVIDER'S obligations with regard to acquisition by COUNTY of off-site rights-of-way, easements and other interests in real property may be subject to a separate agreement between SUBDIVIDER and COUNTY. SUBDIVIDER shall also be responsible for obtaining any public or private drainage easements or authorizations to accommodate the SUBDIVISION.
- f. **Erosion Control.** SUBDIVIDER will take all necessary actions during the course of construction to prevent erosion damage to adjacent properties during inclement weather. It is understood and agreed that in the event of failure on the part of SUBDIVIDER to prevent erosion, COUNTY may do the work on an emergency basis and back-charge the SUBDIVIDER for the actual expenses incurred, and, if necessary, after providing notice to SUBDIVIDER, proceed against the Faithful Performance Security to cover COUNTY'S expenses.

2. **Underground Utilities.** The following new utilities provided for in this subdivision shall be placed underground: electric power lines, gas lines, water lines, telephone lines, and television cables, if applicable. Underground utility services, including laterals to all the lots, shall be installed by the SUBDIVIDER prior to placement of road base, concrete curb and gutter and/or gutter and/or A.C. Dike and pavement.

3. **Maintenance and Operation of Private Roads and Drives, Fire Hydrants, Storm Drainage Systems, Waste Water Systems, and Water Systems.** SUBDIVIDER shall pay for all maintenance and operation of private roads and private drives, fire hydrants, storm drainage systems, waste water systems, and private water systems, including any treatment improvements that may be required, from the time of installation until acceptance or approval of the Improvements by the Monterey County Board of Supervisors and the Carmel Area Waste Water District Board of Directors and until a Homeowners' Association duly incorporated and certified by the Secretary of the State of California and in good standing or other entity with legal authorization to collect fees sufficient to support the services is formed and assumes responsibility

for the services. Fire hydrants shall be fully operational prior to occupancy of any dwelling within the SUBDIVISION unless otherwise approved by the fire protection agency with jurisdiction.

SUBDIVIDER and COUNTY shall also be responsible for those certain obligations relating to drainage infrastructure improvements to be constructed for Drainage Area 27 as set forth in detail in the Drainage Improvement Agreement entered into between COUNTY and SUBDIVIDER.

4. **Planting and Maintenance of Cut and Fill Area.** In addition to any landscaping requirements imposed by the Conditions of Approval and/or the MMRP, SUBDIVIDER shall seed and/or plant all cut and fill areas of the SUBDIVISION as approved by the COUNTY Engineer including private drives as shown on said final map. All erosion control work shall be done prior to the acceptance of the Improvements. The seeding and planting work shall be done between November and April or sufficient water provided to ensure germination and growth until established. SUBDIVIDER shall directly maintain, or guarantee through agreement or other means acceptable to the COUNTY Engineer, maintenance of the planted areas for one year from the time of completion of the work above described.

Six months prior to termination of the one-year maintenance period, the plantings shall exhibit a normal healthy growth sufficient in the opinion of the COUNTY Engineer to control erosion. If in the opinion of the COUNTY Engineer, this condition does not exist, replanting shall be done at the SUBDIVIDER's expense. If necessary, topsoil and commercial fertilizer shall be used by the SUBDIVIDER to promote the desired effect. The planted areas and streets shall be kept well maintained by SUBDIVIDER in a clean, neat and workmanlike condition, free of trash and other unsightly materials that might accumulate because of planting and landscaping activities. Any failure of the cut or fill slopes within the one-year maintenance period shall be rectified by SUBDIVIDER.

Should the SUBDIVIDER request the release of the security described in this Agreement, prior to the end of the maintenance period, SUBDIVIDER shall deliver to County a landscape and maintenance bond (or cash in lieu thereof) in the amount of (50% of Landscape Bond) \$192,500. The bond shall be for a period consisting of the remainder of the one-year maintenance period and in a form approved by the COUNTY Engineer and County Counsel and shall be conditioned upon the performance of this Agreement.

The parties agree that upon expiration of the one-year maintenance

period, the SUBDIVIDER or SUBDIVIDER's successor shall assume maintenance of the planted areas within the SUBDIVISION with exception of private driveways, which shall be maintained by individual property owners.

5. **Acquisition and Dedication of Easements or Rights-of-Way.** If any of the Improvements and land development work contemplated by this Agreement is to be constructed or installed on land not owned by SUBDIVIDER, no construction or installation on such land shall be commenced before:

- a. The offer of dedication to COUNTY of appropriate rights-of-way, easements or other interest in real property, and appropriate authorization from the property owner to allow construction or installation of the improvements or work, or
- b. The dedication to, and acceptance by, COUNTY of appropriate rights-of-way, easements or other interests in real property, as determined by the COUNTY Engineer, or
- c. The issuance by a court of competent jurisdiction pursuant to the State Eminent Domain Law of an order of possession. SUBDIVIDER shall comply in all respects with the order of possession.

Nothing in this Section shall be construed as authorizing or granting an extension of time to SUBDIVIDER.

6. **Security.** SUBDIVIDER shall at all times guarantee SUBDIVIDER'S performance of this Agreement by furnishing to COUNTY the following good and sufficient security acceptable to the County and in conformity with the Subdivision Laws on forms approved by COUNTY:

- a. This Agreement which shall serve as the promissory note in favor of the County of Monterey which shall be secured by a deed of trust on the Property, naming the County of Monterey as beneficiary thereunder; and
- b. The securities required by this Agreement shall be kept on file with the COUNTY HCD. The amount of the security shall be as described herein above and in the recitals to this Agreement. SUBDIVIDER agrees to notify all contractors, subcontractors, persons renting equipment, or furnishing labor and materials for the Improvements required to be constructed or installed pursuant to this Agreement of the source of the security as described in this Section. If any security is replaced by another approved security, the replacement shall be filed with the HCD and, upon filing, shall be deemed to be part of and incorporated

into this AGREEMENT. SUBDIVIDER may file a substitute security, such as a bond, cash, or any other security deemed acceptable by the COUNTY. Upon filing of a replacement security with the HCD, the former security shall be released. Any such replacement of security and release of former security must be acceptable to the COUNTY and approved by the COUNTY in advance of any such replacement. Such approval shall not be unreasonably withheld.

7. **Inspection.** SUBDIVIDER shall retain a qualified and independent consulting Civil Engineer(s) to inspect construction of the Improvements and to certify that the Improvements are constructed in conformance with the Improvement Plans and any approved addenda thereto and applicable ordinances and regulations. An encroachment permit shall be required for work in the County right-of-way. SUBDIVIDER shall at all times maintain proper facilities and safe access for periodic inspection of the Improvements by COUNTY. Upon completion of the work, the SUBDIVIDER's Engineer shall file original sealed "as-built" plans in electronic PDF file format, with COUNTY Engineer and shall submit a sealed letter to COUNTY Engineer certifying that SUBDIVIDER's Engineer has inspected the Improvements throughout construction and that said Improvements are completed in conformance with the Improvement Plans and in accordance with this Agreement. Thereafter, the COUNTY Engineer shall file the notice of completion of the Improvements with the COUNTY Board of Supervisors. No Improvements shall be finally accepted or approved by COUNTY unless all aspects of the work have been inspected and certified as completed in accordance with the Improvement Plans and COUNTY standards. SUBDIVIDER shall bear all costs of plan check, inspection and certification.

8. **Release of Securities.** Consistent with the terms of this agreement, the securities required by this Agreement shall be released as follows:

- a. Release of improvement securities shall be in conformance with the Subdivision Map Act and the Monterey County Code. Pursuant to Government Code Section 66499.7, the security may be released either in whole or in part.
- b. COUNTY may retain from any security released an amount sufficient to cover costs and reasonable expenses and fees, including reasonable attorneys' fees incurred by COUNTY in successfully enforcing the obligation secured.
- c. If the SUBDIVIDER replaces the deed of trust described in Section 6(b) of this Agreement with a cash deposit, bond, or other form of security deemed acceptable to COUNTY, COUNTY shall reconvey the deed of trust to SUBDIVIDER.

9. Injury to Improvements, Public Property or Public Utilities Facilities.

SUBDIVIDER shall replace or have replaced, or repair or have repaired, as the case may be, all Improvements, public utilities facilities and surveying or subdivision monuments which are destroyed or damaged as a result of any work under this Agreement. SUBDIVIDER shall bear the entire cost of replacement or repairs of any and all public or public utility property damaged or destroyed by reason of any work done under this Agreement, whether such property is owned by the United States or any agency thereof, or the State of California, or any agency or political subdivision thereof, or by COUNTY or any public or private utility corporation or by any combination of such owners. Any repair or replacement shall be to the satisfaction, and subject to the approval, of the COUNTY Engineer.

10. Permits. SUBDIVIDER shall, at SUBDIVIDER's expense, obtain all necessary permits and licenses for the construction and installation of the Improvements, give all necessary notices and pay all fees and taxes required by law. An encroachment permit shall be required for all work in the County right-of-way.

11. Default of SUBDIVIDER.

- a. Default of SUBDIVIDER shall include, but not be limited to, SUBDIVIDER's failure to timely commence or complete construction of the Improvements; SUBDIVIDER's failure to timely cure any defect in the Improvements; or SUBDIVIDER'S failure to perform any other obligation under this Agreement.
- b. Default of SUBDIVIDER shall also include SUBDIVIDER's insolvency, appointment of a receiver, or the filing of any petition in bankruptcy, either voluntary or involuntary, which SUBDIVIDER fails to discharge within thirty (30) days; or the commencement of a foreclosure action against the SUBDIVISION or a portion thereof, or any conveyance in lieu or in avoidance of foreclosure. Notwithstanding the foregoing, the COUNTY may find SUBDIVIDER is not in default under this subsection if COUNTY finds that SUBDIVIDER, in the opinion of the COUNTY Engineer, continues to prosecute construction of the Improvements to completion and the securities provided pursuant to this Agreement remain in full force and effect.
- c. COUNTY reserves to itself all remedies available to it at law or in equity for breach of SUBDIVIDER'S obligations under this Agreement. COUNTY shall have the right, subject to this section, to draw upon or utilize the appropriate security to mitigate COUNTY damages in event of default by SUBDIVIDER. The right of COUNTY to draw upon or utilize the security is additional to and

not in lieu of any other remedy available to COUNTY. The sums provided by the improvement security may be used by COUNTY for the completion of the Improvements in accordance with the approved Improvement Plans.

- d. In the event of SUBDIVIDER'S default under this Agreement, SUBDIVIDER authorizes COUNTY to perform such obligation twenty (20) days after mailing written notice of default to SUBDIVIDER and to SUBDIVIDER'S Surety, and SUBDIVIDER agrees to pay the entire cost of such performance by COUNTY.
- e. COUNTY may take over the work and prosecute the same to completion, by contract or by any other method COUNTY may deem advisable, for the account and at the expense of SUBDIVIDER, and SUBDIVIDER'S Surety shall be liable to COUNTY for any excess cost or damages occasioned COUNTY thereby; and, in such event, COUNTY, without liability for so doing, may take possession of, and utilize in completing the work, such materials, appliances, plant and other property belonging to SUBDIVIDER as may be on the site of the work and necessary for performance of the work.
- f. In the event that SUBDIVIDER fails to perform any obligation under this Agreement, SUBDIVIDER agrees to pay all costs and expenses incurred by COUNTY in securing performance of such obligations, including costs of suit and reasonable attorneys' fees.
- g. The failure of COUNTY to take an enforcement action with respect to a default, or to declare a breach, shall not be construed as a waiver of that default or breach or subsequent default or breach of SUBDIVIDER.
- h. SUBDIVIDER recognizes that by approval of the final map for SUBDIVISION, COUNTY has conferred substantial rights upon SUBDIVIDER, including the right to sell, lease, or finance lots within the SUBDIVISION, and has taken the final act necessary for SUBDIVIDER to subdivide the property within the SUBDIVISION. As a result, SUBDIVIDER recognizes that COUNTY will be damaged by SUBDIVIDER'S failure to perform its obligations under this Agreement, including, but not limited to, failure to complete construction of the Improvements by the time established in this Agreement. COUNTY shall be entitled to all remedies available to it pursuant to this Agreement and the Subdivision Laws in the event of a default by SUBDIVIDER.

12. **Warranty.** SUBDIVIDER shall guarantee and warranty the work done pursuant to this Agreement for a period of one (1) year following the completion of the work

and Improvements and acceptance or approval thereof by the COUNTY Board of Supervisors against any defective work or labor done or defective materials furnished. If within the warranty period any work or improvement or part of any work or improvement done, furnished, installed, constructed or caused to be done, furnished, installed or constructed by SUBDIVIDER fails to fulfill any of the requirements of this Agreement or conform to the Improvement Plans and specifications referred to herein, SUBDIVIDER shall without delay and without any cost to COUNTY, repair or replace or reconstruct any defective or otherwise unsatisfactory part or parts of the work or structure. Should SUBDIVIDER fail to act promptly or in accordance with this requirement, SUBDIVIDER hereby authorizes COUNTY, at COUNTY's option, to perform the work twenty (20) days after mailing written notice of default to SUBDIVIDER and to SUBDIVIDER'S Surety, and SUBDIVIDER agrees to pay the cost of such work by COUNTY. Should COUNTY determine that an emergency requires repairs or replacements to be made before SUBDIVIDER can be notified, COUNTY may, in its sole discretion, make the necessary repairs or replacements to the Improvements or perform the necessary work, and SUBDIVIDER shall pay to COUNTY the cost of such emergency repairs, not to exceed the maximum amount of the warranty security under this Agreement.

13. **SUBDIVIDER Not Agent of COUNTY.** Neither SUBDIVIDER nor any of SUBDIVIDER'S agents or contractors are or shall be considered to be agents of COUNTY in connection with the performance of SUBDIVIDER'S obligations under this Agreement.

14. **Injury to Work.** Until such time as the Improvements are accepted or approved by COUNTY, SUBDIVIDER shall be responsible for and bear the risk of loss to any of the Improvements constructed or installed. Until such time as all Improvements required by this Agreement are fully completed and accepted or approved by COUNTY, SUBDIVIDER will be responsible for the care, maintenance of, and any damage to such Improvements. COUNTY shall not, nor shall any officer or employee thereof, be liable or responsible for any accident, loss or damage, regardless of cause, happening or occurring to the work or Improvements specified in this Agreement prior to the completion and acceptance of the work or Improvements. All such risks shall be the responsibility of and are hereby assumed by SUBDIVIDER.

15. **Other Agreements.** Nothing contained in this Agreement shall preclude COUNTY from expending monies pursuant to agreements concurrently or previously executed between the parties, or from entering into agreements with other subdividers for the apportionment of costs of water and sewer mains, or other improvements, pursuant to the provisions of COUNTY ordinances providing therefor, nor shall anything in this Agreement commit COUNTY to any such apportionment.

16. **SUBDIVIDER'S Obligation to Comply with Good Construction Practices.**

Until final acceptance of the Improvements, SUBDIVIDER shall take all reasonable actions consistent with prevailing safety standards and generally accepted good construction practices to protect the public.

17. **Vesting of Ownership.** Upon acceptance or approval of the work on behalf of COUNTY and recordation of the Notice of Completion, ownership of the Improvements constructed pursuant to this Agreement shall vest as shown on the Final Map and in accordance with the provisions set forth in the Conditions of Approval.

18. **Indemnity/Hold Harmless.**

- a. COUNTY or any officer, agent, or employee thereof shall not be liable for any injury to persons or property occasioned by reason of the acts or omissions of SUBDIVIDER, its agents or employees in the performance of this Agreement. SUBDIVIDER further agrees to protect, defend, indemnify, and hold harmless COUNTY, its officials, agents, and employees from any and all claims, demands, causes of action, liability or loss of any sort, including, but not limited to, attorney fees and litigation expenses, arising out of, acts or omissions of SUBDIVIDER, its agents or employees in the performance of this Agreement, including, but not limited to, all claims, demands, causes of action, liability, or loss of any kind whatsoever, arising out of, in whole or in part, the design or construction of the Improvements. This indemnification and agreement to hold harmless shall extend to injuries to persons (including death or bodily injury) and damages or taking of property resulting from the design or construction of said SUBDIVISION, and the Improvements as provided herein.
- b. Acceptance or approval by COUNTY of the Improvements shall not constitute an assumption by COUNTY of any responsibility whatsoever for any damage or taking covered by this paragraph. COUNTY shall not be responsible for the design or construction of the SUBDIVISION or the Improvements pursuant to the approved Improvement Plans or map. COUNTY shall not be liable for approving, reviewing, checking, or correcting any plans or specifications or for approving, reviewing or inspecting any work or construction. Nothing contained in this paragraph is intended to or shall be deemed to limit or waive any protections or immunities afforded by law to COUNTY, its officials, agents and employees, by virtue of COUNTY'S approval of the plan or design of the Improvements, including without limitation the protections and immunities afforded by Government Code Section 830.6. After acceptance or approval of the

Improvements, SUBDIVIDER shall remain obligated to eliminate any defect in design or dangerous condition caused by the design or construction defect. It is the intent of this paragraph that SUBDIVIDER shall be responsible for all liability for design and construction of the Improvements installed or work done pursuant to this Agreement, to the fullest extent of the law, and that COUNTY shall not be liable for approving, reviewing, checking, or correcting any plans or specifications or for approving, reviewing or inspecting any work or construction. The improvement security shall not be required to cover the provisions of this paragraph.

- c. This Section is to be construed as broadly as permissible under the law in favor of the COUNTY.

19. **Insurance.** Without limiting SUBDIVIDER's duty to indemnify the COUNTY, SUBDIVIDER shall maintain in effect throughout this Agreement a policy or policies of insurance with the limits of liability specified herein. COUNTY does not and shall not waive any rights against SUBDIVIDER which it may have by reason of the aforesaid hold harmless agreement, because of the acceptance by COUNTY of any deposit with COUNTY by SUBDIVIDER or any of the insurance policies described herein. The aforesaid hold harmless agreement by SUBDIVIDER shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of the aforesaid activities or operations referred to herein, regardless of whether or not COUNTY has prepared, supplied or approved plans and/or specifications for the subdivision, or regardless of whether or not such insurance policies have been determined to be applicable to any such damages or claims for damages. Further, SUBDIVIDER shall not commence work under this Agreement until SUBDIVIDER shall have obtained all insurance required herein. Prior to COUNTY issuance of any COUNTY permit for construction of Improvements, SUBDIVIDER shall furnish written proof to COUNTY that SUBDIVIDER has in effect all of the insurance required by this Agreement. All requirements herein provided shall appear either in the body of the insurance policies or as endorsements and shall specifically bind the insurance carrier.

- a. **Workers' Compensation Insurance.** SUBDIVIDER shall maintain, during the life of this Agreement, Workers' Compensation insurance for all SUBDIVIDER's employees employed at the site of improvement in accordance with California Labor Code Section 3700 and with a minimum of \$1,000,000 per occurrence for employer's liability. SUBDIVIDER shall require any contractor or subcontractor similarly to provide workers' compensation insurance for all contractors' and/or subcontractors' employees, unless such employees are covered by this protection

afforded by SUBDIVIDER. In any case, if any class of employees engaged in work under this Agreement at the site of the project is not protected under any workers' compensation law, SUBDIVIDER shall provide insurance acceptable to COUNTY for the protection of employees not otherwise protected.

SUBDIVIDER hereby indemnifies COUNTY for any damage resulting to it from failure of either SUBDIVIDER or any contractor or subcontractor to take out or maintain such insurance.

- b. **Commercial General Liability Insurance.** SUBDIVIDER shall take out and maintain during the life of this Agreement such commercial general liability insurance as shall protect the COUNTY, its officers, agents and employees, SUBDIVIDER and any contractor or subcontractor performing work covered by this Agreement from claims for damages for personal injury, including death, as well as from claims for property damage which may arise from SUBDIVIDER's or any contractor's or subcontractor's operations hereunder, whether such operations be by SUBDIVIDER or any contractor or subcontractor, or by anyone directly or indirectly employed by either SUBDIVIDER or any contractor or subcontractor performing work covered by this Agreement. The amount of such insurance shall be not less than \$1,000,000 each occurrence combined single limit for Bodily Injury and Property Damage, including coverages for contractual liability, independent contractors, personal injury, broadform property damage, explosion, collapse and underground (XCU) products and completed operations.
- c. **Business automobile liability insurance:** SUBDIVIDER shall maintain during the life of this Agreement, business automobile liability insurance covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit of not less than \$1,000,000 per occurrence combined single limit for Bodily Injury and Property Damage.
- d. **Endorsements/Certificates of Insurance.** All insurance required by this Agreement shall be with a company acceptable to the County and authorized by law to transact insurance business in the State of California. The general liability insurance policies shall contain a standard form of endorsement, with coverage equal to that provided by ISO Form 20 10 (11-85 edition) insuring and naming the COUNTY OF MONTEREY, its officers, agents and employees as additional insureds and providing that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance or self-

insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the SUBDIVIDER's insurance. Prior to or concurrently with the execution of this Agreement, SUBDIVIDER shall furnish COUNTY with a certificate of insurance, showing that the SUBDIVIDER has in effect the insurance required by this Agreement and showing that each carrier is required to give COUNTY at least thirty (30) days written prior notice of any cancellation or reduction in coverage of any policy during the effective period of this Agreement. SUBDIVIDER shall file with the COUNTY a new or amended certificate of insurance promptly after any change is made in any insurance policy which would alter the information of the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause of this Agreement, which shall remain in full force and effect.

20. **Time of the Essence.** Time is of the essence of this Agreement.

21. **Time for Commencement of Work/Time Extensions.** SUBDIVIDER shall commence construction of the Improvements required by this Agreement within four (4) years and complete the construction and installation of the Improvements within FIVE (5) years from the COUNTY'S approval of said final map. Any extensions shall be in accordance with Title 19 of the Monterey County Code.

22. **Notices.** All notices required or provided for under this Agreement shall be in writing and delivered in person or sent by mail, postage prepaid, and addressed as provided in this section. Notice shall be effective on the date it is delivered in person or, if mailed, on the date of deposit in the United States Mail. Notices shall be addressed as follows, unless a written change of address is filed with the COUNTY.

COUNTY: HCD –Director
County of Monterey
HCD – Housing and Community Development 1441 Schilling
Place, Second Floor Salinas, California 93901

SUBDIVIDER: Rancho Canada Venture, LLC
40 Tehama
Carmel, California 93923

23. **Binding on Successors and Assigns.** This Agreement shall be binding upon the successors and assigns of each of the parties. Sale of all or part of the lands of the underlying SUBDIVISION shall not serve to transfer the obligations of the SUBDIVIDER under this Agreement. All obligations under this Agreement attach to SUBDIVIDER until all obligations

of SUBDIVIDER are fulfilled or transferred by substitution of replacement agreement and replacement securities acceptable to COUNTY.

24. **Incorporation of Recitals.** The Recitals to this Agreement are hereby incorporated into the terms of this Agreement.

25. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties with respect to the subject matter. All modifications, amendments, or waivers of the terms of this Agreement must be in writing and approved and executed by the appropriate representatives of the parties.

26. **Project Modification.** Significant changes to any of the improvements shown on the Improvement Plans for this subdivision requested/initiated by the SUBDIVIDER shall require the SUBDIVIDER and COUNTY to enter into a new subdivision improvement agreement. .

The new agreement shall supersede this Agreement. Prior to entering into the new agreement, SUBDIVIDER shall provide COUNTY with the following:

- a. Revised Improvement Plans, subject to the review and approval of the County Engineer, showing all changes or modifications to onsite or offsite improvements for this subdivision.
- b. A revised improvement construction estimate prepared by a California professional engineer that reflect current improvement costs for the proposed modified improvements.
- c. Adjusted improvement security in accordance with the revised construction estimates.

All improvement modifications are subject to the review and approval of responsible COUNTY departments, and must be granted final approval by the COUNTY Board of Supervisors.

27. **Negotiated Agreement.** It is agreed and understood by the parties hereto, that this Agreement has been arrived at through negotiations and that neither party is deemed to be the party which prepared the Agreement within the meaning of Civil Code Section 1654.

28. **Warranty of Authority.** Any individual executing this Agreement warrants that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind said party to the terms and conditions of this Agreement.

29. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the

same Agreement.

30. **Recordation.** Upon execution of this Agreement, OWNER or SUBDIVIDER shall cause recordation thereof with the COUNTY Recorder's Office and shall be responsible for payment of all fees for said recordation.

31. **Effective Date.** This Agreement shall take effect upon the execution of this Agreement by all the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written below.

[Signatures provided below]

OWNER

Lombardo Land Group I, LP, a California limited partnership

By _____
(Signature)

Print/Type Name: _____

Date: _____ Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF
CALIFORNIA
COUNTY OF
MONTEREY

On _____ before me, _____, Notary
Public, personally appeared _____

_____, who 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.

*I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.*

WITNESS my hand and official

seal. Signature _____

(SEAL)

SUBDIVIDER
RANCHO CANADA VENTURE, LLC, a California limited liability company

By _____
(Signature)

Print/Type Name: _____

Date: _____ Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF
CALIFORNIA
COUNTY OF
MONTEREY

On _____ before me, _____, Notary
Public, personally appeared _____

_____, who 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.

*I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.*

WITNESS my hand and official

seal. Signature _____

(SEAL)

COUNTY OF MONTEREY

Date: _____

Chair, Board of Supervisors

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

CLERK'S ACKNOWLEDGEMENT

On _____ 20____, before me, Valerie Ralph, Clerk of the Board of Supervisors, personally appeared _____, Chair, Monterey County Board of Supervisors, who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Valerie Ralph
Clerk of the Board of Supervisors

By: _____

Type/Print Name, Deputy Clerk

Legal Reference for Acknowledgement by County Official (SEAL)
California Civil Code Section 1181, 1184, 1188, 1189
Code of Civil Procedure Section 20

DOCUMENT FORM/CONTENT ACCEPTABLE:
HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT

HCD Director

Date: _____

APPROVED AS TO FORM & LEGALITY:
COUNTY COUNSEL, LESLIE J. GIRARD

Kelly L. Donlon, Assistant County Counsel

Date: _____

EXHIBIT A
LEGAL DESCRIPTION

LEGAL DESCRIPTION

Real property in the unincorporated area of the County of Monterey, State of California, described as follows:

PARCEL 1:

BEGINNING AT THE HEREINABOVE MENTIONED STATION 23 OF THE PATENT SURVEY BOUNDARY OF THE RANCHO CANADA DE LA SEGUNDA; THENCE

(1) S. 87° 30' E., 1636.46 FEET ALONG SAID BOUNDARY TO THE COMMON CORNER OF LOTS 12 AND 13, AS SAID LOTS ARE SHOWN AND DESIGNATED ON THE AFORESAID PARTITION MAP; THENCE

(2) SOUTH 69.75 FEET; THENCE

(3) N. 87° 33' W., 1606.55 FEET; THENCE

(4) N. 22° 22' W., 78.35 FEET TO THE POINT OF BEGINNING, PURSUANT TO THE CERTIFICATE OF COMPLIANCE RECORDED JULY 9, 2009 AS INSTRUMENT NO. [2009043181](#) OF OFFICIAL RECORDS.

PARCEL 2:

THAT PART OF THE SAID RANCHO CANADA DE LA SEGUNDA IN MONTEREY COUNTY, STATE OF CALIFORNIA, WHICH IS SHOWN AND DESIGNATED AS LOT 13 ON THE AFORESAID PARTITION MAP. SAID LOT 13, AS SAID LOT IS SHOWN AND DESIGNATED ON THE AFORESAID PARTITION MAP, IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PART OF THE RANCHO CANADA DE LA SEGUNDA BEGINNING AT STATION 23 OF THE PATENT SURVEY OF THE RANCHO CANADA DE LA SEGUNDA; THENCE

(1) S. 87° 30' E., 1637.0 FEET, ALONG A BOUNDARY TO A 4" X 4" POST MARKED WH, HH, CS, STANDING AT THE COMMON CORNER OF LOTS 12 AND 13, AS SAID LOTS ARE SHOWN AND DESIGNATED ON THE AFORESAID PARTITION MAP, FROM WHICH A 4" X 4" POST MARKED CS, 22, STANDING AT STATION 22 OF THE CANADA DE LA SEGUNDA RANCHO BEARS S. 87° 30' E. 480.8 FEET DISTANT; THENCE LEAVE THE SAID BOUNDARY AND ALONG LINE BETWEEN SAID LOTS 12 AND 13

(2) N. 2650.0 FEET, AT 127 FEET AN ALDER TREE, 14 INCHES IN DIAMETER MARKED WITH TREE NOTCHES FORE AND AFT, AT 449 FEET A 2" X 2" POST MARKED WH, HH. LINE, STANDING ON THE LEFT BANK OF CARMEL RIVER, AT 710.4 FEET A 4" X 4" POST MARKED WH, HH, LINE, STANDING ON THE RIGHT BANK OF SAID RIVER, AT 1148.6 FEET A 4" X 4" POST MARKED WH, HH. LINE, AT EDGE OF WILLOWS, AT 1850.7 FEET A 4" X 4" POST MARKED WH, HH, LINE, AT 2620.7 FEET A 4" X 4" POST MARKED WH, HH, WP, IN FENCE ON THE SOUTH SIDE OF THE CARMEL VALLEY COUNTY ROAD, 2650.0 FEET TO POINT IN CENTER LINE OF CARMEL VALLEY COUNTY ROAD; THENCE ALONG THE CENTER LINE OF SAID ROAD TOWARD MONTEREY, WITH THE FOLLOWING SIX COURSES AND DISTANCES,

(3) N. 71° 01' W., 35 FEET,

(4) N. 62° 50' W., 300 FEET,

(5) N. 63° 28' W., 300 FEET,

(6) N. 68° 21' W., 175 FEET,

(7) N. 83° 26' W., 185 FEET, TO COMMON CORNER OF LOTS 4 AND 5, AS SAID LOTS ARE SHOWN AND DESIGNATED ON THE AFORESAID PARTITION MAP, FROM WHICH 4" X 4" POST MARKED HHH, WH, WP, STANDING IN FENCE ON THE NORTH SIDE OF CARMEL VALLEY COUNTY ROAD BEARS N. 11° 47¼' E. 26.0 FEET DISTANT; THENCE CONTINUE ALONG CENTER LINE OF SAID ROAD,

(8) S. 89° 14' W., 925 FEET TO STATION AT COMMON CORNER OF LOTS 13 AND 14, AS SAID LOTS ARE SHOWN AND DESIGNATED ON THE AFORESAID PARTITION MAP, FROM WHICH A 4" X 4" POST MARKED HHH, WH, STANDING IN FENCE ON SOUTH SIDE OF SAID ROAD BEARS S. 25.2 FEET DISTANT; THENCE ALONG THE LINE BETWEEN SAID LOTS 13 AND 14; THENCE

(9) S. 2784.2 FEET, AT 25.2 FEET A 4" x 4" POST MARKED HHH, WH, WP, LINE, AT 781.2 FEET A 4" x 4" POST MARKED HHH, WH, LINE, AT 2264.1 FEET A 4" X 4' POST MARKED HHH, WH, LINE, STANDING IN EDGE OF WILLOWS, AT 2514.1 FEET A 4" X 4" POST MARKED HHH, WH, LINE, 2784.2 FEET TO A 4" X 4" POST MARKED CS, HHH, WH, STANDING IN THE PATENT SURVEY BOUNDARY OF THE RANCHO CANADA DE LA SEGUNDA, FROM WHICH AN ALDER TREE, 10 INCHES IN DIAMETER, BEARS S. 49 ¼° W., 10.9 FEET DISTANT, AND A COTTONWOOD TREE, 10 INCHES IN DIAMETER, BEARS S. 37 ¾° E., 8.0 FEET DISTANT, BOTH TREES MARKED BT; THENCE ALONG AND RANCHO BOUNDARY,

(10) S. 54° E., 252.8 FEET TO THE PLACE OF BEGINNING.

EXCEPTING THEREFROM, THAT PORTION LYING WITHIN THE LINES OF THAT TRACT OF LAND DESCRIBED IN THE FOLLOWING DEEDS

(A) EXECUTED BY: WILLIAM HATTON AND LOUISE M. HATTON, HIS WIFE TO CARMEL UNIFIED SCHOOL DISTRICT A BODY POLITIC DATED DECEMBER 27, 1956 AND RECORDED FEBRUARY 28, 1957 IN [BOOK 1773, PAGE 443](#) OF OFFICIAL RECORDS.

(B) EXECUTED BY: LOUISE M. HATTON TO CARMEL UNIFIED SCHOOL DISTRICT, A BODY POLITIC DATED FEBRUARY 3, 1961 AND RECORDED MARCH 13, 1961 IN [BOOK 2130, PAGE 43](#) OF OFFICIAL RECORDS.

(C) EXECUTED BY: LOUISE M. HATTON TO AUGUST R. NIETO, ET AL, RECORDED DECEMBER 17, 1965 IN [REEL 439, PAGE 174](#) OF OFFICIAL RECORDS.

ABOVE DESCRIBED PARCEL IS PURSUANT TO CERTIFICATE OF COMPLIANCE RECORDED JULY 9, 2009 AS INSTRUMENT NO. [2009043177](#) OF OFFICIAL RECORDS.

PARCEL 3:

CERTAIN REAL PROPERTY SITUATE IN THE RANCHO CANADA DE LA SEGUNDA IN THE COUNTY OF MONTEREY, STATE OF CALIFORNIA , BEING A PORTION OF LOTS 13 AND 14 AS SAID LOTS ARE SHOWN ON MAP ENTITLED, "PARTITION MAP OF HATTON PROPERTY IN RANCHO CANADA DE LA SEGUNDA", A COPY OF WHICH MAP IS ATTACHED TO "ORDER GRANTING CONSENT OF PARTITION" RECORDED MARCH 17, 1927 IN [VOLUME 109 OF OFFICIAL RECORDS AT PAGE 1](#), RECORDS OF SAID COUNTY, SAID PART BEING PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 2" X 2" STAKE STANDING AT THE SOUTHWEST CORNER OF THAT CERTAIN 45.000 ACRE TRACT OF LAND DESCRIBED IN DEED FROM LOUISE M. HATTON TO CARMEL UNIFIED SCHOOL DISTRICT (A BODY POLITIC) DATED FEBRUARY 3, 1961 AND RECORDED IN VOLUME 2130 OF OFFICIAL RECORDS AT PAGE 43, RECORDS OF SAID COUNTY, AND RUNNING THENCE ALONG THE SOUTHERLY BOUNDARY OF SAID 45.000 ACRE TACT OF LAND

- (1) S. $89^{\circ} 59' \frac{1}{4}''$ E., 1,703.29 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE STANDING AT THE SOUTHEAST CORNER OF SAID 45.000 ACRE TRACT OF LAND; THENCE ALONG THE EASTERLY BOUNDARY THEREOF
- (2) N. $0^{\circ} 00' \frac{3}{4}''$ W. 421.4 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE; THENCE
- (3) S. $89^{\circ} 59' \frac{3}{4}''$ E., 232.67 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE; THENCE CONTINUING ALONG SAID EASTERLY BOUNDARY 60 FEET WESTERLY FROM (MEASURED AT A RIGHT ANGLE) THE EASTERLY LINE OF SAID LOT 13
- (4) N. $0^{\circ} 00' \frac{1}{2}''$ E., 600.21 FEET TO THE NORTHEAST CORNER OF SAID 45.000 ACRE TRACT OF LAND IN THE SOUTHERLY LINE OF CARMEL VALLEY ROAD AS DESCRIBED IN DEED FROM WILLIAM HATTON, ET UX, TO COUNTY OF MONTEREY, (A BODY POLITIC AND CORPORATE) DATED AUGUST 31, 1950 AND RECORDED IN [VOLUME 1262 OF OFFICIAL RECORDS AT PAGE 409](#), RECORDS OF SAID COUNTY; THENCE ALONG SAID SOUTHERLY ROAD LINE
- (5) S. $68^{\circ} 59'$ E., 64.27 FEET TO A $\frac{3}{4}$ " DIAMETER IRON PIPE STANDING AT THE INTERSECTION OF SAID SOUTHERLY ROAD LINE WITH SAID EASTERLY LINE OF LOT 13 FROM WHICH A 4" X 4" POST STANDING ON TOP OF A CUT BANK BEARS ALONG SAID EASTERLY LINE N. $0^{\circ} 00' \frac{1}{2}''$ E., 3.5 FEET DISTANT; THENCE LEAVE SAID ROAD LINE AND RUNNING ALONG SAID EASTERLY LOT LINE
- (6) S. $0^{\circ} 00' \frac{1}{2}''$ W., 637.17 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE; THENCE LEAVE SAID EASTERLY LINE AND RUNNING PARALLEL TO AND 60 FEET SOUTHERLY FROM (MEASURED AT A RIGHT ANGLE) THAT CERTAIN COURSE HEREINBEFORE NUMBERED "(3)" AND ITS PRODUCTION EASTERLY
- (7) N. $89^{\circ} 59' \frac{3}{4}''$ W. 232.65 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE; THENCE PARALLEL TO AND 60 FEET EASTERLY FROM (MEASURED AT A RIGHT ANGLE) THAT CERTAIN COURSE HEREINBEFORE NUMBERED "(2)" AND ITS PRODUCTION SOUTHERLY
- (8) S. $0^{\circ} 00' \frac{3}{4}''$ E., 421.4 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE; THENCE PARALLEL TO AND 60 FEET SOUTHERLY FROM (MEASURED AT A RIGHT ANGLE) A PORTION OF THAT CERTAIN COURSE HEREINBEFORE NUMBERED "(1)" AND ITS PRODUCTION EASTERLY
- (9) N. $89^{\circ} 59' \frac{1}{4}''$ W., 638.85 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE; THENCE
- (10) S. $22^{\circ} 35' \frac{1}{2}''$ W., 403.67 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE, TOP 18" UNDERGROUND; THENCE
- (11) S. $8^{\circ} 56' \frac{1}{2}''$ E., 450.6 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE, TOP 18" UNDERGROUND; THENCE
- (12) S. $3^{\circ} 13'$ W., 135.07 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE, TOP 18" UNDERGROUND; THENCE
- (13) S. $61^{\circ} 50'$ W., 114.75 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE, TOP 18" UNDERGROUND; THENCE
- (14) N. $72^{\circ} 40'$ W., 354.65 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE, TOP 18" UNDERGROUND; THENCE
- (15) N. $70^{\circ} 40' \frac{1}{2}''$ W., 295.18 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE, TOP 18" UNDERGROUND; THENCE
- (16) N. $80^{\circ} 39' \frac{1}{2}''$ W., 125.75 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE, TOP 18" UNDERGROUND; THENCE
- (17) S. $55^{\circ} 04'$ W., 181.9 FEET TO A 1 $\frac{1}{2}$ " DIAMETER IRON PIPE, TOP 18" UNDERGROUND; THENCE

(18) S. 89° 15' W., 40.4 FEET TO A 1 ½" DIAMETER IRON PIPE, TOP 18" UNDERGROUND, STANDING IN THE WESTERLY BOUNDARY OF THAT CERTAIN 10.89 ACRE TRACT OF LAND SHOWN ON MAP ENTITLED "RECORD OF SURVEY SHOWING DIVISION OF PROPERTY IN LOT 14 PER HATTON PARTITION OF RANCHO CANADA DE LA SEGUNDA" FILED FEBRUARY 19, 1957 IN VOLUME 5 OF SURVEYS AT PAGE 94, RECORDS OF SAID COUNTY; THENCE ALONG SAID WESTERLY BOUNDARY

(19) NORTH, 948.04 FEET TO THE PLACE OF BEGINNING.

EXCEPTING THEREFROM, THAT CERTAIN REAL PROPERTY SITUATE IN THE RANCHO CANADA DE LA SEGUNDA IN THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, BEING A PORTION OF LOTS 13 AND 14 AS SAID LOTS ARE SHOWN ON MAP ENTITLED "PARTITION MAP OF HATTON PROPERTY IN RANCHO CANADA DE LA SEGUNDA", A COPY OF WHICH MAP IS ATTACHED TO "ORDER GRANTING CONSENT OF PARTITION" RECORDED MARCH 17, 1927 IN [VOLUME 109 OF OFFICIAL RECORDS AT PAGE 1](#), RECORDS OF SAID COUNTY, SAID PART BEING PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 2" X 2" STAKE STANDING AT THE SOUTHWEST CORNER OF THAT CERTAIN 45.000 ACRE TRACT OF LAND DESCRIBED IN DEED FROM LOUISE M. HATTON TO CARMEL UNIFIED SCHOOL DISTRICT (A BODY POLITIC) DATED FEBRUARY 3, 1961 AND RECORDED IN VOLUME 2130 OF OFFICIAL RECORDS AT PAGE 43, RECORDS OF SAID COUNTY, AND RUNNING THENCE ALONG THE SOUTHERLY BOUNDARY OF SAID 45.000 ACRE TRACT OF LAND

(1) S. 89° 59 ¼' E. 1,703.29 FEET TO A 1 ½" DIAMETER IRON PIPE STANDING AT THE SOUTHEAST CORNER OF SAID 45.000 ACRE TRACT OF LAND; THENCE ALONG THE EASTERLY BOUNDARY THEREOF

(2) N. 0° 00-¾' W., 421.14 FEET TO A 1 ½" DIAMETER IRON PIPE; THENCE

(3) S. 89° 59-¾' E. 232.67 FEET TO A 1 ½" DIAMETER IRON PIPE; THENCE CONTINUING ALONG SAID EASTERLY BOUNDARY 60 FEET WESTERLY FROM (MEASURED AT A RIGHT ANGLE) THE EASTERLY LINE OF SAID LOT 13

(4) N. 0° 00 ½' E., 600.21 FEET TO THE NORTHEAST CORNER OF SAID 45.000 ACRE TRACT OF LAND IN THE SOUTHERLY LINE OF CARMEL VALLEY ROAD AS DESCRIBED IN DEED FROM WILLIAM HATTON, ET UX TO COUNTY OF MONTEREY (A BODY POLITIC AND CORPORATE) DATED AUGUST 31, 1950 AND RECORDED IN [VOLUME 1262 OF OFFICIAL RECORDS AT PAGE 409](#), RECORDS OF SAID COUNTY; THENCE ALONG SAID SOUTHERLY ROAD LINE

(5) S. 68° 59' E., 64.27 FEET TO A ¾" DIAMETER IRON PIPE STANDING AT THE INTERSECTION OF SAID SOUTHERLY ROAD LINE WITH SAID EASTERLY LINE OF LOT 13 FROM WHICH A 4" X 4" POST STANDING ON TOP OF A CUT BANK BEARS ALONG SAID EASTERLY LINE N. 0° 00 ½' E., 3.5 FEET DISTANT; THENCE LEAVE SAID ROAD LINE AND RUNNING ALONG SAID EASTERLY LOT LINE

(6) S. 0° 00 ½' W., 637.17 FEET TO A 1 ½" DIAMETER IRON PIPE; THENCE LEAVE SAID EASTERLY LINE AND RUNNING PARALLEL TO AND 60 FEET SOUTHERLY FROM (MEASURED AT A RIGHT ANGLE) THAT CERTAIN COURSE HEREINBEFORE NUMBERED "(3)" AND ITS PRODUCTION EASTERLY

(7) N. 89° 59-¾' W., 232.65 FEET TO A 1 ½" DIAMETER IRON PIPE; THENCE PARALLEL TO AND 60 FEET EASTERLY FROM (MEASURED AT A RIGHT ANGLE) THAT CERTAIN COURSE HEREINBEFORE NUMBERED "(2)" AND ITS PRODUCTION SOUTHERLY

(8) S. 0° 00-¾' E., 421.4 FEET TO 1 ½" DIAMETER IRON PIPE, THENCE PARALLEL TO AND 60 FEET SOUTHERLY FROM (MEASURED AT A RIGHT ANGLE) A PORTION OF THAT CERTAIN COURSE HEREINBEFORE NUMBERED "(1)" AND ITS PRODUCTION EASTERLY

(9) N. 89° 59 ¼' W., 638.85 FEET TO A 1 ½" DIAMETER IRON PIPE; THENCE

(10) S. 22° 35 ½' W., 26.99 FEET; THENCE

(11) N. 89° 59 ½' W., 1,114.1 FEET TO A POINT IN THE WESTERLY LINE OF THAT CERTAIN 10.89 ACRE TRACT OF LAND SHOWN ON MAP ENTITLED "RECORD OF SURVEY SHOWING DIVISION OF PROPERTY IN LOT 14 PER HATTON PARTITION OF RANCHO CANADA DE LA SEGUNDA" FILED FEBRUARY 19, 1957 IN [VOLUME 5 OF SURVEYS AT PAGE 94](#), RECORDS OF SAID COUNTY; THENCE ALONG SAID WESTERLY LINE

(12) NORTH, 84.92 FEET TO THE PLACE OF BEGINNING.

ALSO EXCEPTING THEREFROM, ALL THAT PORTION OF THE ABOVE DESCRIBED 25.086 ACRE PARCEL LYING WITHIN THE BOUNDARIES OF 10.89 ACRE PARCEL OF LAND SHOWN ON THE RECORD OF SURVEY MAP FILED FEBRUARY 19, 1957 IN [VOLUME 5 OF "SURVEYS" AT PAGE 94](#).

ABOVE DESCRIBED PARCEL IS PURSUANT TO CERTIFICATE OF COMPLIANCE RECORDED JULY 9, 2009 AS INSTRUMENT NO. [2009043178](#) OF OFFICIAL RECORDS.

PARCEL 4:

A NON-EXCLUSIVE RIGHT OF WAY APPURTENANT TO PARCELS 2 AND 3 FOR ROAD AND UTILITY PURPOSES OVER, UPON AND ACROSS A STRIP OF LAND 60 FEET WIDE LYING ALONG, CONTIGUOUS TO AND WESTERLY AND NORTHERLY FROM THOSE CERTAIN COURSES NUMBERED "(6)", "(7)", "(8)" AND "(9)", AS SAID COURSES ARE DESCRIBED UNDER THE EXCEPTION OF PARCEL IV IN A DEED RECORDED SEPTEMBER 8, 1999 AS INSTRUMENT NO. [9967284](#) OF OFFICIAL RECORDS.

PARCEL 5:

CERTAIN REAL PROPERTY SITUATE IN THE RANCHO CANADA DE LA SEGUNDA IN THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, BEING A PORTION OF LOT 14 AS SAID LOTS ARE SHOWN ON MAP ENTITLED "PARTITION MAP OF HATTON PROPERTY IN RANCHO CANADA DE LA SEGUNDA", A COPY OF WHICH MAP IS ATTACHED TO "ORDER GRANTING CONSENT OF PARTITION" RECORDED MARCH 17, 1927 IN [VOLUME 109 OF OFFICIAL RECORDS AT PAGE 1](#), RECORDS OF SAID COUNTY, ALSO A PORTION OF THE 10.89 ACRE PARCEL DESCRIBED IN DEED TO WILLIAM HATTON, RECORDED SEPTEMBER 1, 1950 IN [BOOK 1242, PAGE 485](#) OF OFFICIAL RECORDS AND SHOWN ON RECORD OF SURVEY MAP FILED IN [VOLUME 5 OF SURVEYS AT PAGE 94](#), MONTEREY COUNTY RECORDS.

BEGINNING AT A POINT ON THE WEST BOUNDARY OF SAID 10.89 ACRE PARCEL, 84.92 FEET SOUTH FROM A 2" X 2" STAKE STANDING AT THE SOUTHWEST CORNER OF THAT CERTAIN 45.000 ACRE TRACT OF LAND DESCRIBED IN DEED FROM LOUISE M. HATTON TO CARMEL UNIFIED SCHOOL DISTRICT (A BODY POLITIC) DATED FEBRUARY 3, 1961 AND RECORDED IN VOLUME 2130 OF OFFICIAL RECORDS AT PAGE 43, RECORDS OF SAID COUNTY, AND RUNNING THENCE ALONG

(1) SOUTH, 863.12 FEET TO THE SOUTHWEST CORNER OF THE 25.086 ACRE PARCEL SHOWN ON THE RECORD OF SURVEY MAP FILED MARCH 29, 1965 IN [VOLUME 7 OF SURVEYS AT PAGE 73](#), MONTEREY COUNTY RECORDS; THENCE ALONG THE SOUTHERLY BOUNDARY THEREOF;

(2) N. 89° 15' E., 40.4 FEET; THENCE

(3) N. 56° 04' E., 135 FEET MORE OR LESS TO THE EAST LINE OF LOT 14; THENCE ALONG SAID EAST LINE

(4) NORTH, 800 FEET TO A POINT S. 89° 59' 15" E. FROM THE POINT OF BEGINNING;

(5) N. 89° 59' 15" W. 156.8 FEET TO THE POINT OF BEGINNING.

ABOVE DESCRIBED PARCEL IS PURSUANT TO CERTIFICATE OF COMPLIANCE RECORDED JULY 9, 2009 AS INSTRUMENT NO. [2009043179](#) OF OFFICIAL RECORDS.

PARCEL 6:

CERTAIN REAL PROPERTY SITUATE, LYING AND BEING IN THE RANCHO CANADA DE LA SEGUNDA IN THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, AND BEING A PART OF LOT 14, AS SAID LOT IS SHOWN AND AS DESIGNED ON THAT CERTAIN MAP ENTITLED "PARTITION MAP OF HATTON PROPERTY IN RANCHO CANADA DE LA SEGUNDA", A COPY OF WHICH MAP IS ATTACHED TO "ORDER GRANTING CONSENT OF PARTITION" RECORDED MARCH 17, 1927 IN VOLUME 109 OF OFFICIAL RECORDS AT PAGE 1, RECORDS OF SAID COUNTY, AND BEING ALSO A PART OF THAT CERTAIN 10.89 ACRE TRACT OF LAND CONVEYED FROM HOWARD HATTON, ET UX., TO WILLIAM HATTON, BY DEED DATED AUGUST 1, 1950 AND RECORDED IN [VOLUME 1242 OF OFFICIAL RECORDS AT PAGE 485](#), RECORDS OF MONTEREY COUNTY, SAID PART BEING PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE 1.0 ACRE PARCEL DESCRIBED IN THE DEED TO DUDLEY SWIM, ET UX, RECORDED MAY 31, 1955 IN [BOOK 1620 OFFICIAL RECORDS OF MONTEREY COUNTY AT PAGE 278](#), ON THE WEST BOUNDARY OF THE ABOVE SAID 10.89 ACRE TRACT; THENCE ALONG SAID WEST BOUNDARY

(1) NORTH, 432.64 FEET TO THE SOUTHWEST CORNER OF THE 25.086 ACRE PARCEL SHOWN ON THE RECORD OF SURVEY MAP FILED MARCH 29, 1965 IN [VOLUME 7 OF SURVEYS AT PAGE 73](#); THENCE ALONG THE SOUTHERLY BOUNDARY THEREOF

(2) N. 89° 15' E., 40.4 FEET; THENCE

(3) N. 56° 04' E., 135 FEET MORE OR LESS TO THE EAST LINE OF SAID LOT 14; THENCE ALONG SAID EAST LINE

(4) SOUTH, 530 FEET MORE OR LESS TO THE NORTHERLY LINE OF THE ABOVE SAID 1 ACRE PARCEL; THENCE ALONG SAID NORTHERLY LINE

(5) N. 81° 59' 50" W., 158.33 FEET TO THE POINT OF BEGINNING.

ABOVE DESCRIBED PARCEL IS PURSUANT TO CERTIFICATE OF COMPLIANCE RECORDED JULY 9, 2009 AS INSTRUMENT NO. [2009043180](#) OF OFFICIAL RECORDS.

PARCEL 7:

A NON-EXCLUSIVE RIGHT OF WAY APPURTENANT TO PARCELS 4 AND 5 FOR ALL PURPOSES OF A ROAD OVER, UPON, AND ACROSS THE FOLLOWING DESCRIBED PARCEL OF LAND:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF CARMEL VALLEY ROAD (A COUNTY ROAD 50 FEET WIDE) FROM WHICH THE NORTHEAST CORNER OF SAID LOT 14 BEARS WITH THE FOLLOWING THREE COURSES AND DISTANCES:

N. 85° 12' E., 336.14 FEET ALONG SAID ROAD LINE; THENCE N. 89° 14' E., 273.79 FEET ALONG SAID ROAD LINE TO A POINT IN THE EASTERLY BOUNDARY OF SAID LOT 14, AND THENCE ALONG SAID BOUNDARY N. 25.0 FEET DISTANT, AND RUNNING THENCE FROM SAID POINT OF BEGINNING S.

2073.45 FEET AT 2065.04 FEET A POINT HEREIN AND NOW DESIGNATED AS POINT "G" FOR THE PURPOSE OF REFERENCE THERETO IN FURTHER DESCRIPTION HEREINAFTER TO BE MADE, 2073.45 FEET TO A POINT; THENCE TANGENTIALLY CURVING TO THE LEFT ON A CIRCULAR ARC OF 20 FEET RADIUS THROUGH AN ANGLE OF 44° 25' FOR A DISTANCE OF 15.5 FEET; THENCE TANGENTIALLY CURVING TO THE RIGHT ON A CIRCULAR ARC OF 50 FEET RADIUS THROUGH AN ANGLE OF 26° 50' FOR A DISTANCE OF 234.6 FEET; THENCE TANGENTIALLY CURVING TO THE LEFT ON A CIRCULAR ARC OF 20 FEET RADIUS THROUGH AN ANGLE OF 44° 25' FOR A DISTANCE OF 15.5 FEET; THENCE TANGENTIALLY N. 2068.42 FEET; AT 17.1 FEET A POINT HEREIN AND NOW DESIGNATED AS POINT "H" FOR THE PURPOSE OF REFERENCE THERETO IN FURTHER DESCRIPTION HEREINAFTER TO BE MADE, 2068.42 FEET TO A POINT INSIDE SOUTHERLY LINE OF CARMEL VALLEY ROAD; THENCE ALONG SAID ROAD LINE N. 85° 12' E., 60.21 FEET TO THE PLACE OF BEGINNING.

PARCEL 8:

A NON-EXCLUSIVE RIGHT OF WAY APPURTENANT TO PARCELS 4 AND 5 FOR ALL PURPOSES OF A ROAD OVER, UPON, AND ACROSS A STRIP OF LAND 20 FEET WIDE LYING ALONG, CONTIGUOUS TO, AND SOUTHERLY FROM THE FOLLOWING DESCRIBED LINES:

(1) BEGINNING AT THE HEREINBEFORE MENTIONED POINT "G" AND RUNNING THENCE S. 81° 46' E., 58.77 FEET; THENCE S. 10° 46' W., 61.45 FEET; THENCE S. 12° 11' E., 32.93 FEET; THENCE S. 57° 20' E., 431.4 FEET; THENCE N. 69° 27' E., 37.53 FEET; THENCE N. 20° 30' E., 89.27 FEET; THENCE N. 50° 58' 40" E., 161.58 FEET TO A POINT IN THE EASTERLY BOUNDARY OF SAID LOT 14

(2) BEGINNING AT THE HEREINBEFORE MENTIONED POINT "H" AND RUNNING THENCE N. 81° 46' W., 59.5 FEET; THENCE N. 55° 30' W., 245.58 FEET; THENCE S. 66° 41' W., 71.24 FEET; THENCE S. 85° 05' W., 229.81 FEET TO A POINT IN THE WESTERLY BOUNDARY OF SAID LOT 14.

PARCEL 9:

PARCEL 1 AS SHOWN AND SO DESIGNATED ON THE RECORD OF SURVEY MAP FILED JANUARY 21, 2010 IN THE RECORDER'S OFFICE OF MONTEREY COUNTY, STATE OF CALIFORNIA, IN VOLUME 31 OF SURVEYS AT PAGE 1.

SAID DESCRIPTION IS SET FORTH IN THAT CERTAIN "CERTIFICATE OF COMPLIANCE", RECORDED JANUARY 25, 2010, INSTRUMENT NO. [2010004408](#), OFFICIAL RECORDS.

PARCEL 10:

PARCEL 2 AS SHOWN AND SO DESIGNATED ON THE RECORD OF SURVEY MAP FILED JANUARY 21, 2010 IN THE RECORDER'S OFFICE OF MONTEREY COUNTY, STATE OF CALIFORNIA, IN VOLUME 31 OF SURVEYS AT PAGE 1.

SAID DESCRIPTION IS SET FORTH IN THAT CERTAIN "CERTIFICATE OF COMPLIANCE", RECORDED JANUARY 25, 2010, INSTRUMENT NO. [2010004406](#), OFFICIAL RECORDS.

APN: 015-162-009-000 (Affects Parcel 1 and other properties)

015-162-017-000 (Affects Parcel 3)

015-162-025-000 (Affects Parcel 6)

015-162-026-000 (Affects Parcel 5)

015-162-033-000 (Affects Portion of Parcel 9)

015-162-040-000 (Affects Portion of Parcel 2)

015-162-041-000 (Affects Portion of Parcel 9)

015-162-042-000 (Affects Portion of Parcel 9)

015-162-043-000 (Affects Portion of Parcel 9)
015-162-044-000 (Affects Portion of Parcel 10)
015-162-048-000 (Affects Portion of Parcel 2)
015-162-049-000 (Affects Portion of Parcel 2)
015-162-050-000 (Affects Portion of Parcel 10) and
015-162-051-000 (Affects Portion of Parcel 10)

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