

# Attachment F

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WHEN RECORDED MAIL TO:

Carolyn Hernandez

Clerk to the Board of Supervisors

East Wing, Room 226

Salinas Courthouse

Joseph F. Pitta  
Monterey County Recorder  
Recorded at the request of  
**County of Monterey**

CRKATHLEEN  
12/28/2000  
15:48:04

DOCUMENT: **2000086003**



2000086003

Titles: 1/ Pages: 24

Fees ...  
Taxes ...  
Other ...  
AMT PAID

**TITLE OF DOCUMENT**

LAND CONSERVATION CONTRACT  
(AGRICULTURAL PRESERVE 2061-006)

(FAIRVIEW VINEYARDS)

**LAND CONSERVATION CONTRACT**

**THIS CONTRACT made and entered into this 31st day of December, 2000, by and between the COUNTY OF MONTEREY, a political sub-division of the State of California, hereinafter called "County" and FAIRVIEW VINEYARDS, a California General Partnership and LOCKWOOD PARTNERS, LP, a California Limited Partnership, hereinafter called "Owner."**

**WITNESSETH:**

**WHEREAS, Owner possesses certain real property located within the County of Monterey, State of California, which is presently devoted to the production of food and fibre and is described in Exhibit A attached hereto and made a part hereof; and**

**WHEREAS, the property is located in an agricultural preserve (No. 2001-006) heretofore established by County by Resolution No. 00-455; and**

**WHEREAS, both Owner and County desire to limit the use of the property to agricultural and compatible uses;**

**NOW, THEREFORE, County and Owner agree as follows:**

**1 CONTRACT SUBJECT TO CALIFORNIA LAND CONSERVATION ACT OF 1965, AS AMENDED.**

This contract is entered into pursuant to Chapter 7 (commencing with Section 51200) as Part 1, Division 1, Title 5 of the Government Code, which is known as the California Land Conservation Act of 1965, or as the Williamson Act. This contract is subject to all of the provisions of this act including any amendments thereto which may be enacted from time to time.

**2 RESTRICTION ON USE OF PROPERTY.**

During the term of this contract, and any and all renewals thereof, the property described in Exhibit A shall not be used by Owner, or Owner's successors in interest, for any purpose other than the production of food and fibre for commercial purposes and uses compatible thereto. A list of all such compatible uses is set forth in Exhibit B, attached hereto and by this reference incorporated herein. County, by uniform rule adopted by the Board of Supervisors of County, may from time to time during the term of this contract and all renewals thereof, add to the list of compatible uses which shall be uniform throughout the agricultural preserve in which the property in Exhibit A is located; provided, however, County may not during the term of this contract or any renewal thereof, without the prior written consent of Owner, remove any of the compatible uses for the subject property which are set forth in Exhibit B. The provisions of this contract and any uniform rule supplementing the list of compatible uses are not intended to limit or supersede the planning and zoning powers of County.



3. TERM OF CONTRACT.

This contract shall become effective on the 31st day of December, 2000, and shall remain in full force and effect for an initial term of twenty years. The initial term of twenty years shall be measured commencing as of the first day of January next succeeding the date of execution. Each succeeding first day of January shall be deemed to be the annual renewal date of this contract. This contract shall be automatically renewed on each succeeding January 1 and one additional year shall be added automatically to the initial term unless notice of nonrenewal is given as provided in paragraph 4.

4. NOTICE OF NONRENEWAL

(a) If either party desires in any year not to renew this contract, that party shall serve written notice of nonrenewal upon the other party in advance of the annual renewal date of this contract. Unless such written notice of nonrenewal is served by Owner at least 90 days prior to the renewal date, or by County at least 60 days prior to the renewal date, this contract shall be considered renewed as provided in paragraph 3 above.

(b) If either party serves written notice of nonrenewal in any year within the time limits of (a) above, this contract shall remain in effect for the balance of the period remaining since the original execution or the last renewal of this contract, as the case may be.

5. NO COMPENSATION.

Owner shall not receive any payment from County in consideration of the obligations imposed under this contract, it being recognized and agreed that the consideration for the execution of this contract is the substantial benefit to be derived therefrom, and the advantage that may accrue to Owner as a result of the effect upon the assessed value of the property on account of the restrictions on the use of the property contained herein.

6. SUCCESSORS IN INTEREST.

This contract and the restrictions imposed hereunder shall run with the property described in Exhibit A and shall be binding upon the heirs, executors, administrators, trustees, successors, and assigns of Owner. This contract shall also be transferred from County to any succeeding city or county acquiring jurisdiction over the property described in Exhibit A. On the completion of annexation proceedings by a city, that city shall succeed to all rights, duties and powers of the County under this contract for that portion of the property described in Exhibit A annexed to the city.

Nonetheless, each new Owner who succeeds to ownership of the aforesaid property shall be obliged to execute a new contract identical to or more restrictive than this contract in order to perfect his rights under the Land Conservation Act.

7. DIVISION OF LAND.

The property described in Exhibit A shall not be divided without the written approval of the County first had and obtained. This contract is divisible in the event the property described in Exhibit A is divided. Owner agrees to submit any proposed division to County for its approval and County, if it approves said division, shall, as a condition of its approval of the division, require the execution by Owner of a contract identical to this contract on each parcel created by the division. Owner agrees to execute such contract or contracts, as necessary. The division of land under contract within an agricultural preserve will not be approved unless it can be reasonably established that there will be no loss in the production of food and fibre within the agricultural preserve from said division.

8. CONDEMNATION.

When any action in eminent domain for the condemnation of the fee title of any land described in Exhibit A is filed or when such land is acquired in lieu of eminent domain for a public improvement by a public agency or person, or whenever there is any such action or acquisition by the federal government, or any person, instrumentality or agency acting under authority or power of the federal government, this contract becomes null and void as to the land actually being condemned or so acquired as of the date the action is filed or so acquired.

9. CANCELLATION.

This contract may be canceled by the mutual agreement of the parties hereto in the manner provided in this paragraph. It is understood by the parties hereto that the existence of an opportunity for another use of the property shall not be sufficient reason for the cancellation of this contract. A potential alternative use of the property may be considered only if there is no proximate non-contracted land suitable for the use to which it is proposed that this property be put. The parties further understand that the uneconomic character of an existing agricultural use shall not be sufficient reason for cancellation of this contract, but may be considered only if there is no other reasonable or comparable agricultural use to which the land may be put.

(a) Upon the written request of Owner to cancel this contract, the Board of Supervisors of the County of Monterey may adopt a resolution consenting to such request. Prior to the adoption of a resolution consenting to the request of the landowner to cancel this contract, the Board of Supervisors of County shall hold a public hearing on the matter. Notice of the hearing shall be mailed to each and every owner of property under contract within the agricultural preserve in which the property described in Exhibit A is located, and shall be published pursuant to Section 6061 of the Government Code. In addition, at least 10 working days prior to the hearing, a notice of hearing and a copy of the landowner's petition shall be mailed to the Director of Conservation pursuant to section 51284 of the Government Code. At the hearing, or prior thereto, the owner of any property in which this agricultural preserve is situated may protest such cancellation to the Board of Supervisors.

(b) The Board of Supervisors may adopt a resolution consenting to the request of Owner to cancel this contract only if they find: (1) The cancellation is not inconsistent with the purposes of the California Land Conservation Act of 1955 as amended; and (2) the cancellation is in the public interest.

10. LIABILITY OF OWNER UPON CANCELLATION.

(a) Prior to any action by the Board of Supervisors giving tentative approval to the cancellation of this contract, the County Assessor shall, pursuant to Revenue and Taxation Code Section 401, determine the full cash value of the land as though it were free of the contractual restrictions imposed by this contract. The Assessor shall certify to the Board of Supervisors the cancellation valuation of the land for the purpose of determining the cancellation fee.

(b) The Board of Supervisors shall thereafter and prior to giving tentative approval to the cancellation of this contract determine and certify to the County Auditor the amount of the cancellation fee which the Owner must pay the County Treasurer as deferred taxes upon cancellation. That fee shall be an amount equal to 12 ½ percent of the cancellation valuation of the property.

(c) If the Board of Supervisors recommends that it is in the public interest to do so, and the Secretary of the Resources Agency so finds, the Board may waive any such payment or any portion thereof, or may make such payment or portion thereof, or may extend the time for making the payment or a portion of the payment contingent upon the future use made of the property and its economic return to Owner for a period of time not to exceed the unexpired term of the contract had it not been canceled, provided: (1) the cancellation is caused by an involuntary transfer or change in the use which may be made of the property and the property is not immediately suitable, nor will be immediately used, for a purpose which produces a greater economic return to Owner; and (2) the Board of Supervisors has determined it is in the best interests of the program to conserve agricultural land use that such payment be either deferred or is not required; and (3) the waiver or extension of time is approved by the Secretary of the Resources Agency pursuant to Government Code Section 51283.

(d) Owner shall make payment of the cancellation fee in full prior to the cancellation becoming effective.

11. NOTICES.

All notices required or permitted by this contract shall be given in writing and may be mailed or delivered in person. If mailed, the address of Owner shall be the last known address on the assessment records of County, and County's address shall be In Care of Board of Supervisors, Courthouse, Salinas, California 93901, and deposit in the mail, postage prepaid, shall be deemed receipt thereof.

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12 COSTS OF LITIGATION.

In case County shall, without any fault on its part, be made a party to any litigation commenced by or against Owner, then Owner shall and will pay all costs and reasonable attorneys fees incurred by or imposed upon County by or in connection with such litigation, and Owner shall and will pay all costs and reasonable attorneys fees which may be incurred or paid by County in enforcing the covenants and agreements of this contract.

13. ENFORCEMENT.

In the event of breach of this contract, including but not limited to: (1) incompatible use, or (2) failure of successors in interest to sign a contract similar to this one, or (3) failure to obtain the approval of the Board of Supervisors for a division of the land under contract, all the affected property under contract shall be reassessed at full cash value pursuant to Revenue and Taxation Code Section 110.1.

However, such reassessment for the period encompassed by the breach shall not terminate the contract. Reassessment shall be in addition to the other remedies available to the County including, but not limited to, an action to enforce the contract by specific enforcement or injunction under Government Code Section 51251.

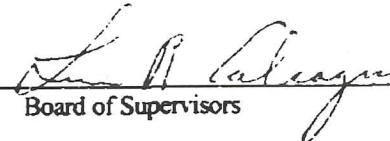
If incompatible uses during the period of breach have diminished the ability of the property to contribute to the production of food and fibre on the lien date, the property shall be reassessed at full cash value.

The period of breach is the period commencing upon breach as set forth above, and ending upon cure of the breach. If the lien or assessment date falls within the period of the breach, all the property under this contract will be reassessed at full cash value pursuant to Revenue and Taxation Code Section 110.1.

**IN WITNESS WHEREOF** the parties have caused this contract to be executed by Owner on the date affixed next to the signature of each, and by County on the date affixed next to the signature of the chairperson of the Board of Supervisors.

COUNTY OF MONTEREY

Dated: 12/5/00

By:   
Board of Supervisors

**ACKNOWLEDGMENT**

State of California )  
                          ) ss.  
County of Monterey )

On December 5, 2000, before me SALLY R. REED, Clerk of the Board of Supervisors,  
in and for said County and State, personally appeared \_\_\_\_\_  
Louis R. Calcagno, known to me to be the person who executed the within  
instrument on behalf of said political subdivision, and acknowledged to me that such County of  
Monterey executed the same.

SALLY R. REED, Clerk of the  
Board of Supervisors of  
Monterey County, State of California

By Carilyn Hernandez  
Deputy

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**FAIRVIEW VINEYARDS, a California General Partnership, Owner**

**By Its General Partners:**

KING CITY PARTNERS, a California Limited Partnership, General Partner

By: Toeppen Family Partnership, LP as General Partner of King City Partners

By: Toeppen Family, LLC as General Partner of Toeppen Family Partnership, LP

By: Toeppen 1991 Trust, as Managing Member of Toeppen Family, LLC

Dated: 7 Nov 00

By:   
R. Paul Toeppen, Trustee


Dated: 8 Nov 00

  
W.B. LINDLEY, General Partner therein

Dated: 13 Nov 00

  
PHILLIP R. JOHNSON, General Partner

Dated: 8 Nov 00

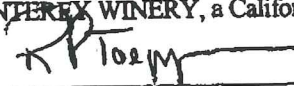
  
HILLIS ANNE JOHNSON, as Trustee of the Hillis Anne Johnson Revocable Living Trust dated July 21, 1997, General Partner

**LOCKWOOD PARTNERS, LP, a California Limited Partnership, Owner**


**By Its General Partner:**

MONTEREY WINERY, a California Corporation

Dated: 7 Nov 00

By:   
R. Paul Toeppen, Chairman and President

Dated: 8 Nov 00

  
W.B. LINDLEY, Director / Vice President

Dated: 13 Nov 00

  
PHILLIP R. JOHNSON, Director / Vice President

STATE OF CALIFORNIA  
COUNTY OF MONTEREY

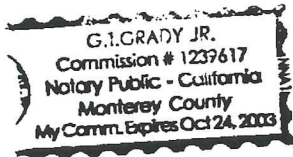
On November 9, 2000, before me, G.T. Grady Jr.

\_\_\_\_\_, Notary Public, personally appeared R. Paul Toeppen

\_\_\_\_\_, personally known to me

(or 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 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/ 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.



[Signature]  
Notary Public

[SEAL]





STATE OF CALIFORNIA  
COUNTY OF MONTEREY

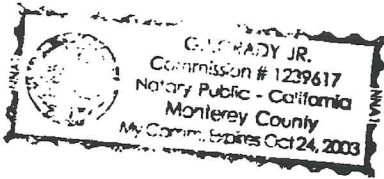
On November 8, 2000, before me, G.T. Grady Jr.

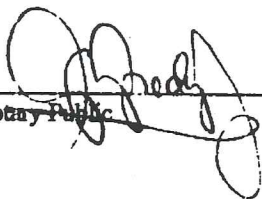
\_\_\_\_\_, Notary Public, personally appeared Willis Anne Johnson

\_\_\_\_\_, personally known to me

(or 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 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/ 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.



  
\_\_\_\_\_  
Notary Public

[SEAL]

State of California )  
 )  
County of Monterey ) ss.

On 11/16, 2000 before me, the undersigned notary public, personally appeared **PHILLIP R. JOHNSON**,

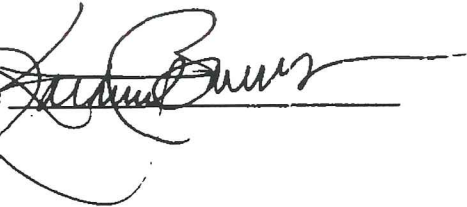
personally known to me, or  
 proved to me on the basis of satisfactory evidence

to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

(Seal)

Signature



The land referred to in this report is situated in the State of California, County of Monterey and is described as follows:

All that certain real property described below, excepting therefrom all buildings, improvements, fixtures and irrigation equipment of any nature and any additions or replacements thereto, now located on either the following described real property or the appurtenant servitudes, as reserved in the deed from South County Property Company, a California general partnership to JHRD 120 Corp., a Delaware corporation by deed dated November 25, 1981, and recorded December 1, 1981, in Reel 1519, Page 583, Official Records, of Monterey County, State of California.

Situate in the County of Monterey, State of California, and being particularly described as follows, to-wit:

PARCEL I:

Certain real property situate in the Rancho San Lucas. in the County of Monterey, State of California, being a part of Lot 1, of said lot is shown on map entitled, "Map No. 1 Accompanying Report of Referees Showing Part of the Property Partitioned in The Ranchos San Lucas, San Benito, San Bernardo", filed August 27, 1895 in Volume 1 of Surveys at Page 34, Records of said County, said part being particularly described as follows:

Beginning at a 1" diameter iron pipe standing in the Southeasterly boundary of said Rancho San Lucas from which the most Southerly corner thereof bears along said boundary S. 43° 11' W., 2,999.3 feet distant and running thence along said boundary

(1) N. 43° 11' E., 6,175.0 feet to intersection with the centerline of Paris Valley Road (a county road 40 feet wide); thence leave said Rancho boundary and running along said road centerline and Southwesterly boundary of that certain 2,678.67 acre tract of land described in deed from Julius G. Trescony, et ux., to Lucio Echenique, et ux., dated November 13, 1935 and recorded in Volume 475, Official Records, at Page 28, Records of said County,

(2) N. 37° 59' W., 4,931.5 feet; thence

(3) N. 47° 58' W., 237.9 feet; thence

(4) N. 41° 50' W., 299.1 feet; thence

(5) N. 34° 56' W., 417.6 feet; thence

(6) N. 44° 46' W., 308.1 feet; thence

(7) N. 31° 12' W., 525.4 feet; thence

(8) N. 35° 12' W., 263.2 feet; thence

(9) N. 40° 34' W., 343.9 feet; thence

(10) N. 51° 41' W., 232.5 feet; thence

(11) N. 34° 38' W., 248.0 feet; thence

(12) N. 45° 16' W., 256.0 feet; thence

- (13) N. 31° 10' W., 332.5 feet; thence
- (14) N. 40° 41' W., 360.1 feet; thence
- (15) N. 61° 11' W., 219.9 feet; thence
- (16) N. 38° 16' W., 110.1 feet; thence
- (17) N. 17° 27' W., 229.8 feet; thence
- (18) N. 28° 18' W., 663.5 feet; thence
- (19) N. 36° 38' W., 180.0 feet; thence
- (20) N. 51° 31' W., 130.5 feet; thence
- (21) N. 74° 30' W., 200.7 feet; thence
- (22) N. 56° 36' W., 146.5 feet; thence
- (23) N. 27° 33' W., 249.3 feet; thence
- (24) N. 53° 06' W., 191.3 feet; thence
- (25) N. 22° 01' W., 425.0 feet; thence
- (26) N. 37° 30' W., 549.3 feet; thence
- (27) N. 63° 48' W., 237.9 feet; thence
- (28) N. 55° 35' W., 243.9 feet; thence
  
- (29) N. 34° 23' W., 948.1 feet to the angle point formed by courses numbered "(118)"  
"(119)" in the Easterly boundary of that certain 629.79 acre tract of land described in  
deed from Edgar C. Brownlee, et ux., to Lucio Echenique, et ux., dated September 30,  
1940 and Re-Recorded in Volume 1092, Official Records, at Page 150, Records of said  
County; thence leave said road centerline and Southwesterly boundary and running along  
the Easterly boundary of said 629.79 acre tract of land,
  
- (30) S. 59° W., 34.2 feet to " x 4" post "PVR-29"; thence
- (31) S. 14° E., 313.8 feet; thence
- (32) S. 21° E., 187.0 feet; thence
- (33) S. 28° E., 180.8 feet; thence
- (34) S. 11° 30' E., 54.4 feet; thence
- (35) S. 6° 30' W., 519.3 feet; thence
- (36) S. 20° W., 305.5 feet; thence
- (37) S. 25° 25' W., 567.8 feet; thence
- (38) S. 12° W., 336.2 feet; thence

ORDER NO: 1713895

Page 4 of Legal Description

- (39) S. 23° 50' W., 1,463.1 feet to a 3" x 3" fence post "JGT-11A"; thence
- (40) S. 20° 55' W., 1,560.0 feet; thence
- (41) S. 26° 50' W., 153.3 feet; thence
- (42) S. 32° 25' W., 827.8 feet; thence
- (43) S. 19° 50' W., 358.5 feet; thence
- (44) S. 10° 40' W., (erroneously stated as S. 10° 40' E., in Volume 1092, Official Records at Page 150) 964.3 feet; thence
- (45) S. 34° 10' W., 1,034.7 feet to a 4" x 4" post "JGT-6-A"; thence leave said mentioned boundary and running,
- (46) S. 63° 52' E., 311.7 feet; thence
- (47) S. 25° 05' E., 121.1 feet; thence
- (48) S. 0° 44' W., 112.9 feet; thence
- (49) S. 19° 14' W., 341.8 feet; thence
- (50) S. 33° 36' E., 184.0 feet; thence
- (51) S. 1° 43' E., 455.0 feet; thence
- (52) S. 36° 58' E., 102.7 feet; thence
- (53) S. 68° 01' E., 242.1 feet; thence
- (54) S. 59° 15' E., 1,221.6 feet; thence
- (55) S. 46° 44' E., 73.5 feet; thence
- (56) S. 43° 13' E., 457.1 feet; thence
- (57) S. 36° 04' E., 139.5 feet; thence
- (58) S. 24° 35' E., 1,479.2 feet to Post "JAT-30"; thence
- (59) S. 24° 24 1/2' E., 2,220.41 feet; thence
- (60) S. 69° 13 1/4' E., 122.79 feet; thence
- (61) N. 35° 41 1/2' E., 588.33 feet; thence
- (62) N. 36° 15 1/2' E., 1,235.56 feet; thence
- (63) N. 49° 34' E., 86.06 feet; thence
- (64) N. 66° 44 1/2' E., 108.28 feet; thence
- (65) N. 78° 34' E., 114.78 feet; thence



- (66) N. 87° 39' E., 105.40 feet; thence
- (67) S. 85° 38' E., 87.99 feet to fence post "P-29"; thence
- (68) S. 75° 58' E., 89.95 feet to a 3/4" diameter iron pipe; thence
- (69) S. 59° 37' E., 341.7 feet to a 1" diameter iron pipe; thence
- (70) S. 53° 13' E., 134.7 feet; thence
- (71) S. 46° 28' E., 135.95 feet; thence
- (72) S. 40° 15' E., 255.4 feet; thence
- (73) S. 31° 08' E., 94.6 feet; thence
- (74) S. 23° 48' E., 1,880.45 feet to the place of beginning.

EXCEPTING THEREFROM that certain parcel of land described in deed from Julius G. Trescony, et ux., to the Pacific Telephone and Telegraph Company (a California corporation), dated August 10, 1953 and recorded in Volume 1474, Official Records at Page 450, Records of Monterey County, California.

ALSO EXCEPTING THEREFROM all that portion thereof which is included in Parcel II hereinafter described.

ALSO EXCEPTING THEREFROM AN UNDIVIDED EIGHTH (1/8) INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from Julius G. Trescony to Louis J. Trescony, et al., dated June 28, 1963 and recorded August 8, 1963 on Reel 212, Official Records at Page 443, Monterey County Records.

ALSO EXCEPTING THEREFROM all that portion conveyed to the State of California by deed dated June 20, 1969 and recorded September 16, 1969, on Reel 621, Official Records, Page 125.

ALSO EXCEPTING THEREFROM all that portion conveyed to The Pacific Telephone and Telegraph Company, a corporation by deed dated March 5, 1971 and recorded March 15, 1971 on Reel 692, Official Records at Page 644.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 7/16 INTEREST in and to all oil, gas hydrocarbons and other minerals in, on or underlying said lands as reserved in the Deed from Louis J. Trescony, Mario Trescony and Julian B. Trescony, dated December 1, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California in Recorder's Series No. G43056.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 7/32 INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from South County Property Company, a California general partnership dated November 25, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California, Recorder's Series Number G43062.

APN: 233-021-022, 233-021-023 AND 233-021-029 (PORTION)

PARCEL II:

A part of Rancho San Lucas, being a part of Lot 1, as said lot is shown and so designated on that certain "Map Number 1", accompanying the report of the referees in suit Number 2307 in the Superior Court of the State of California, in and for the County of Monterey, entitled, "Teresa Johnson, et al., -vs- Julius A. Trescony, et al.", filed for record in Volume 1 of Surveys at Page 34, Records of Monterey County, California and also being a part of that certain 2270.96 acre tract of land conveyed by Julius G. Trescony, et al., to Julius G. Trescony, by deed dated November 16, 1929 and recorded in Volume 221, Official Records, Page 118, Records of Monterey County, California, said part being particularly described as follows, to-wit:

Beginning at the most Easterly corner of said 2270.96 acre tract of land, said corner being in the centerline of the Paris Valley County Road (40 feet wide) at the intersection of said road centerline with the Southeasterly boundary of said Rancho San Lucas, and running thence along said centerline and boundary of said 2270.96 acre tract of land,

- (1) N. 37° 59' W., 4931.5 feet; thence
- (2) N. 47° 58' W., 237.9 feet; thence
- (3) N. 41° 50' W., 137.4 feet; thence leave said road centerline and continuing along the boundary of said 2270.96 acre tract of land,
- (4) S. 40° 42' W., 350.5 feet, at 20.0 feet a 4" x 4" post on the Southwesterly side of Paris Valley County Road, 350.5 feet to a point; thence
- (5) S. 55° 47' W., 250.1 feet to a 4" x 4" post marked JAT2; thence
- (6) S. 2° 55' E., 314.4 feet; thence
- (7) S. 12° 20' W., 105.5 feet; thence
- (8) S. 31° 39' W., 269.7 feet to a 4" x 4" post marked JAT6; thence
- (9) S. 26° 47' W., 439.0 feet to a 4" x 4" post marked JAT7; thence
- (10) S. 44° 35' W., 301.4 feet to a 4" x 4" post marked JAT8; thence
- (11) S. 60° 14' W., 182.6 feet to a 4" x 4" post marked JAT9; thence
- (12) S. 40° 30' W., 361.2 feet; thence
- (13) S. 29° 05' W., 361.2 feet to a 4" x 4" post marked JAT11; thence
- (14) S. 60° 04' W., 198.0 feet; thence
- (15) S. 47° 33' W., 291.3 feet; thence
- (16) S. 34° 56' W., 530.8 feet; thence
- (17) S. 58° 57' W., 359.7 feet; to a 3" x 4" post marked JAT15; thence
- (18) S. 23° 49' W., 342.1 feet; thence
- (19) S. 40° 48' W., 298.4 feet; thence

- (20) S. 29° 29' W., 463.2 feet; thence
- (21) S. 10° 45' E., 132.8 feet; thence
- (22) S. 20° 48' W., 99.8 feet; thence
- (23) S. 44° 51' W., 84.9 feet to a 3" x 4" post marked JAT21; thence leave the boundary of said 2270.96 acre tract of land and running;
- (24) S. 44° 12' W., 102.5 feet to fence post 22; thence
- (25) S. 32° 25' W., 132.6 feet to fence post 23; thence
- (26) S. 56° 53' W., 87.9 feet to fence post 24; thence
- (27) S. 44° 47' W., 90.95 feet to a 3/4" diameter iron pipe set at the foot of fence post 25; thence
- (28) S. 5° 11' W., 327.0 feet to fence post 26; thence
- (29) S. 22° 57' W., 258.4 feet to a 3/4" diameter iron pipe set at the foot of fence post 27; thence
- (30) S. 51° 36' E., 1434.9 feet to a 1" diameter iron pipe; thence
- (31) S. 6° 01' W., 43.0 feet to fence post 29; thence
- (32) S. 75° 47' E., 89.9 feet to a 3/4" diameter iron pipe; thence
- (33) S. 59° 37' E., 341.7 feet to a 1" diameter iron pipe; thence
- (34) S. 53° 13' E., 134.7 feet to fence post 32; thence
- (35) S. 46° 28' E., 135.95 feet to a 1" diameter iron pipe; thence
- (36) S. 40° 15' E., 255.4 feet to a 1" diameter iron pipe; thence
- (37) S. 31° 08' E., 94.6 feet to a 1" diameter iron pipe; thence
- (38) S. 23° 48' E., 1880.45 feet to a 1" diameter iron pipe set at fence corner in the Southeasterly boundary of said Rancho San Lucas; thence along said rancho boundary
- (39) N. 43° 11' E., 6175.0 feet more or less to the place of beginning.

Courses all true.

EXCEPTING AN UNDIVIDED ONE-HALF (1/2) INTEREST in and to all oil, gas and/or minerals in and to said lands, together with the right of the grantor, her heirs, assigns, lessees and legal representatives at all times to enter on the above described land and to take all of the usual, necessary of convenient means to bore wells, make excavations and to remove the oil and/or minerals therein reserved and found thereon, as recited in the deed from Mercedes Trescony Thurman to J.G. Trescony, and Marie G. Trescony, his wife, dated March 27, 1950 and recorded March 31, 1950 in Volume 1206, Official Records of Monterey County at Page 462, Series No. 15397.

ALSO EXCEPTING AND UNDIVIDED ONE-SIXTEEN (1/16) INTEREST in and to all the oil, gas



and/or minerals in and to said lands, together with the right of ingress and egress at all times for the purposes of drilling, mining and exploring said lands for said oil, gas hydrocarbons or minerals and removing the same therefrom, as conveyed to Julius G. Trescony, by deed dated July 11, 1958 and recorded July 14, 1958 in Volume 1882, Official Records at Page 199, Monterey County Records.

ALSO EXCEPTING THEREFROM all that portion conveyed to the County of Monterey by deed dated July 16, 1968 and recorded August 2, 1968 on Reel 567, Official Records, Page 881.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 7/32 INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from Louis J. Trescony, Mario Trescony, and Julian B. Trescony dated December 1, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County Monterey, State of California in Recorder's Series Number G43056.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 7/64 INTEREST in and to all oil, gas, hydrocarbons and other minerals, in, on or underlying said lands as reserved in the deed from South County Property Company, a California general partnership, dated November 25, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California, Recorder's Series Number G 43062.

APN: 233-021-006

PARCEL III:

Certain real property situate in the Rancho San Lucas in the County of Monterey, State of California, being a part of Lot 1 as said lot is shown on map entitled, "Map No. 1 Accompanying Report of Referees Showing part of the Property Partitioned in The Ranchos San Lucas, San Benito, San Bernardo", filed August 27, 1895 in Volume 1 of Surveys at Page 34, Records of said County, said part being particularly described as follows:

Beginning at a Post marked "JAT-30" referred to in course (58) in the Quitclaim Deed from Julius G. Trescony, et al., to Louis J. Trescony, Mario Trescony and Julian E. Trescony, dated June 28, 1963 and recorded August 8, 1963 on Reel 212, Official Records, Page 443, Monterey County Records and running thence,

- (1) S. 49° 25 1/2' W., 1,534.30 feet to a point; thence
- (2) S. 24° 24 1/2' E., 901.40 feet to a point; thence
- (3) S. 87° 35 1/2' E., 1,651.50 feet to a point in said course (58) from which a 1 inch iron pipe bears S. 24° 24 1/2' E., 148.90 feet distant; thence
- (4) N. 24° 24 1/2' W., 2,073.00 feet to the point of beginning.

EXCEPTING FROM all the above described property the following:

Certain real property situate in Lot 1 of Rancho San Lucas, County of Monterey, State of California, being a portion of that certain tract of land described in deed from Julius G. Trescony to Louis J. Trescony dated February 28, 1967 and recorded in Reel 497 of Official Records, Page 258, Records of said County, said portion being more particularly described as follows:

BEGINNING at a post marked "JAT-30" marking the most Northerly corner of the hereinbefore mentioned tract of land and running thence along the Northwesterly and

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Southwesterly boundary thereof

- (1) S. 49° 25' 30" W., 1524.30 feet; thence
- (2) S. 24° 24' 30" E., 241.19 feet; thence leaving the last mentioned Southwesterly boundary
- (3) N. 43° 36' 51" E., 492.14 feet; thence
- (4) N. 43° 39' 02" E., 1096.69 feet to the Northeasterly boundary of the hereinbefore mentioned tract of land; thence running Northerly along the last mentioned Northeasterly boundary
- (5) N. 24° 24' 30" W., 74.43 feet to the point of beginning.

Courses all true.

EXCEPTING THEREFROM AN UNDIVIDED 1/2 INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said land as reserved in the deed from Louis J. Trescony, Mario Trescony and Julian B. Trescony dated December 1, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California, Recorder's Series Number G 43056.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 1/4 INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from South County Property Company, a California general partnership dated November 25, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California, Record's Series Number G 43062.

APN: 233-021-029 (PORTION)

PARCEL IV:

Certain real property situate in Lot 1 of the Rancho San Lucas, County of Monterey, State of California, being a portion of that certain 1446.08 acre tract of land described under Parcel "2" in the "Land Conservation Agreement" between Julius G. Trescony and the County of Monterey, dated February 18, 1969 and recorded in Reel 595 of Official Records at Page 525, Records of said County, said portion being more particularly described as follows:

BEGINNING at an angle point in the Northeasterly boundary of said 1446.08 acre tract of land at the Southerly terminus of course number 37 (S. 19° 14' W., 341.8 feet) in description of last mentioned tract; thence running Southeasterly along the Northeasterly boundary of said 1446.08 acre tract of land

- (1) S. 33° 36' E., 183.96 feet; thence
- (2) S. 1° 43' E., 454.91 feet; thence
- (3) S. 36° 58' E., 102.68 feet; thence
- (4) S. 68° 01' E., 242.05 feet; thence
- (5) S. 59° 15' E., 431.81 feet; thence leaving the last mentioned Northeasterly boundary

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- (6) N. 61° 37' 58" W., 189.52 feet; thence
- (7) N. 76° 59' 03" W., 551.98 feet; thence
- (8) N. 56° 30' 23" W., 110.40 feet; thence
- (9) N. 28° 35' 21" W., 238.45 feet; thence
- (10) N. 34° 05' 21" W., 340.57 feet; thence
- (11) N. 59° 51' 50" E., 206.15 feet; thence
- (12) N. 48° 56' 56" E., 199.70 feet to the point of beginning.

EXCEPTING THEREFROM AN UNDIVIDED 1/2 INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from Louis J. Trescony, Mario Trescony and Julian B. Trescony dated December 1, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California in Recorder's Series Number G43056.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 1/4 INTEREST in and to all the oil, gas hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from South County Property Company, a California general partnership dated November 25, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California, Recorder's Series Number G 43062.

APN: 233-031-009

PARCEL V:

Together with appurtenant servitudes including, but not limited to, the right to drill for and to take water, easements for road purposes, pipe lines, pumping plant and drainage of waste waters, reserved in the deed from Julius G. Trescony, et ux., to Lucio Echenique, et ux., dated November 13, 1935 and recorded March 17, 1936 in Volume 475, Official Records, at Page 28.

EXCEPTING FROM the above described property that certain real property as described in that deed from Fairview Vineyards, a California general partnership, to Lockwood Partners, LP, a California general partnership, which deed is dated November 29, 1999, and was recorded on October 31, 2000 as Series No. 71120 in the Office of the County Recorder of Monterey County, California.



The land referred to in this report is situated in the State of California, County of \_\_\_\_\_ and is described as follows:

PARCEL I:

All that certain real property described below, excepting therefrom all buildings, improvements, fixtures and irrigation equipment of any nature and any additions or replacements thereto, now located on either the following described real property or the appurtenant servitudes, as reserved in the deed from South County Property Company, a California general partnership to JHRD 120 Corp., a Delaware corporation by deed dated November 25, 1981, and recorded December 1, 1981, in Reel 1519, Page 583, Official Records, of Monterey County, State of California.

Situate in the County of Monterey, State of California, and being particularly described as follows, to-wit:

Parcel 2, as said parcel is shown and so designated on that certain Record of Survey filed for record on September 13, 1999 in Volume 23 of "Surveys", Page 8, Monterey County Records.

EXCEPTING THEREFROM AN UNDIVIDED EIGHTH (1/8) INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from Julius G. Trescony to Louis J. Trescony, et al., dated June 28, 1963 and recorded August 8, 1963 on Reel 212, Official Records at Page 443, Monterey County Records.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 7/16 INTEREST in and to all oil, gas hydrocarbons and other minerals in, on or underlying said lands as reserved in the Deed from Louis J. Trescony, Mario Trescony and Julian B. Trescony, dated December 1, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California in Recorder's Series No. G43056.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 7/32 INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from South County Property Company, a California general partnership dated November 25, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California, Recorder's Series Number G43062.

RESERVING THEREFROM a non-exclusive easement for ingress and egress by pedestrian and vehicular means over and across that portion which is designated "centerline 30' wide road and utility easement" lying within Parcel 2 above described.

ALSO RESERVING THEREFROM a non-exclusive easement for lines, poles, pipes, cables, conduits and wires (collectively called "the easement facilities") for telephone service, electrical service, domestic water service, main water transfer (for agricultural purposes) and water for fire protection purposes over and across that portion designated "centerline 30' wide road and utility easement" lying within Parcel 2 above described and over that portion burdened by the easements for Easement Facilities which are now in place so far as is practical in the present location of the Easement Facilities on the date of this Deed.

PARCEL II:

A non-exclusive easement for ingress and egress by pedestrian and vehicular means over a strip of land thirty (30) feet in width, the centerline of such easement is shown and so designated as "centerline 30' wide road and utility easement" on the Record of

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Survey filed for record on September 13, 1999 in Volume 23 of "Surveys", Page 8, Monterey County Records. The easement granted runs from Paris Valley Road in a Southwesterly direction to the South line of Parcel 2 as shown on said map.

A.P. NO.: 233-021-031

**EXHIBIT "B"**  
**LAND CONSERVATION AGREEMENT**  
**COMPATIBLE USES**

The following is a list of land uses determined to be compatible with the agricultural use of the land subject to this agreement and planning and zoning restrictions:

1. The drying, packing or other processing of an agricultural commodity usually performed on the premises where it is produced but not including slaughter houses, fertilizer yards, bone yards or plants for the reduction of animal or vegetable matter.
2. Structures necessary and incidental to the agricultural use of the land.
3. Single family dwellings incidental to the agricultural use of the land for the residence of the owner, and the family of the owner.  
  
Single family dwellings incidental to the agricultural use of the land for the residence of the lessee of the land and the family of the lessee.
4. Dwelling for persons employed by owner or lessee in the agricultural use of the land.
5. An aircraft landing strip incidental to the agricultural use of the land.
6. The erection, construction, alteration or maintenance of gas, electric, water or communication utility facilities.
7. The erection, construction, alteration or maintenance of radio, television or microwave antennas, transmitters and related facilities
8. Public or private hunting of wildlife or fishing.
9. Public or private hunting clubs and accessory structures.
10. Public or private rifle and pistol practice range, trap or skeet field, archery range or other similar use.
11. Public or private riding or hiking trails.
12. Removal of natural materials.

F:\WPWIN60\TXL\LANDUSE\WLM5\NACT\2001\EXHIBIT.B

**END OF DOCUMENT**

WHEN RECORDED MAIL TO:

Carolyn Hernandez

Clerk to the Board of Supervisors

East Wing, Room 226

Salinas Courthouse

Joseph F. Pitta  
Monterey County Recorder  
Recorded at the request of  
**County of Monterey**

CRKATHLEEN  
12/28/2000  
15:40:04

DOCUMENT: 2000086002



2000086002

Titles: 1/ Pages: 26

Fees...

Taxes...

Other...

AMT PAID

**TITLE OF DOCUMENT**

**FARMLAND SECURITY ZONE CONTRACT**

**(FAIRVIEW VINEYARDS 2001-007)**



**FARMLAND SECURITY ZONE CONTRACT**

THIS CONTRACT made and entered into this 31st day of December, 2000, by and between the COUNTY OF MONTEREY, a political sub-division of the State of California, hereinafter called "County" and FAIRVIEW VINEYARDS, a General Partnership and LOCKWOOD PARTNERS, a California Limited Partnership, hereinafter called "Owner."

**WITNESSETH:**

WHEREAS, Owner possesses certain real property located within the County of Monterey, State of California, which is presently devoted to the production of food and fibre and is described in Exhibit A attached hereto and made a part hereof; and

WHEREAS, the legislature of the State of California finds and declares that it is desirable to expand options available to landowners for the preservation of agricultural land, and has enacted urgency legislation for the establishment of farmland security zones;

WHEREAS, the property is located in an agricultural preserve (No. 2001-006) heretofore established by County by Resolution (No. 00-455); and

WHEREAS, Owner has expressly requested that County create a farmland security zone, which requires rescission of Agricultural Preserve Contract (No. 2001-006) and simultaneous placement of the property under a new Farmland Security Zone and Contract (No. 2001-007) established by County Resolution (No. 00-455), and;

WHEREAS, both Owner and County desire to limit the use of the property to agricultural and compatible uses;

WHEREAS, the property is designated on the Important Farmland Series Maps pursuant to Section 65570, or predominantly prime agricultural land as defined in Section 51201(c);

WHEREAS, the property is not enforceably restricted pursuant to the Open-Space Easement Act of 1974 (commencing with Government Code Section 51070);

WHEREAS, the property is not located within a city's sphere of influence; or, in the alternative, the creation of the farmland security zone within the sphere of influence has been expressly approved by resolution by the city with jurisdiction within the sphere;

NOW, THEREFORE, County and Owner agree as follows:

1. **CONTRACT SUBJECT TO CALIFORNIA LAND CONSERVATION ACT OF 1965, AS AMENDED**



This contract is entered into pursuant to Article 7. "Farmland Security Zones" (commencing with Section 51296) of Chapter 7, of Part 7 Of Division 1. of Title 5 of the Government Code, and Chapter 7 (commencing with Section 51200) of Part 1, Division 1, Title 5 of the Government Code, which is known as the California Land Conservation Act of 1965, or as the Williamson Act. This contract is subject to all of the provisions of this act including any amendments thereto which may be enacted from time to time.

2. APPLICABILITY

This contract shall only apply to property that is designated on the Important Farmland Series maps, prepared pursuant to Section 65570 as predominantly one or more of the following: (1) prime farmland; (2) farmland of statewide significance; (3) unique farmland; or, (4) farmland of local importance. If the property is in an area that is not designated on the Important Farmland Series maps, the property shall qualify if it is predominantly prime agricultural land as defined in subdivision (c) of Government Code Section 51201. (Government Code Section 51296(i)). To the extent that any portion of the property is zoned or used inconsistently, with the provisions of this Contract, or the legislative purpose or intent for the creation of Farmland Security Zones, that portion of the property shall be excepted from, and shall not receive the benefits of this Contract.

3. RESTRICTION ON USE OF PROPERTY

During the term of this contract, and any and all renewals thereof, the property described in Exhibit A shall not be used by Owner, or Owner's successors in interest, for any purpose other than the production of food and fibre for commercial purposes and uses compatible thereto. A list of all such compatible uses is set forth in Exhibit B, attached hereto and by this reference incorporated herein. County, by uniform rule adopted by the Board of Supervisors of County, may from time to time during the term of this contract and all renewals thereof, add to the list of compatible uses which shall be uniform throughout the agricultural preserve in which the property in Exhibit A is located; provided, however, County may not during the term of this contract or any renewal thereof, without the prior written consent of Owner, remove any of the compatible uses for the subject property which are set forth in Exhibit B. The provisions of this contract and any uniform rule supplementing the list of compatible uses are not intended to limit or supersede the planning and zoning powers of County.

Pursuant to Government Code Section 51296(h), during the term of this Contract, Owner shall not engage in, and County shall not approve any use of the property within the Farmland Security Zone, based on the compatible use provisions contained in Government Code Section 51238.1 (c).

4. PROPERTY TAX VALUATION AND SPECIAL TAXES

During the term of this contract, both of the following shall apply to property within the designated farmland security zone: (1) The land shall be eligible for property tax valuation pursuant to Section 423.4 of the Revenue and Taxation Code. (2) Notwithstanding any other provision of law, any special tax approved by the voters for urban-related services on or after January 1, 1999, on the property or any living improvement shall be levied at a reduced rate unless the tax directly benefits the land or the

living improvements. (Government Code Section 51296(c)(1)&(2)).

5. RESTRICTION OF ANNEXATION AND EXCEPTIONS

Notwithstanding any provision of the Cortese-Knox Local Government Reorganization Act of (1985) (Division 3 (commencing with Government Code Section 56000)), a local agency formation commission shall not approve a change of organization or reorganization that would result in the annexation of the property within the designated farmland security zone to a city. However, this provision shall not apply under any of the following circumstances: (1) If the farmland security zone is located within a designated, delineated area that has been approved by the voters as a limit for existing and future urban facilities, utilities, and services. (2) If annexation of a parcel or a portion of a parcel is necessary for the location of a public improvement, as defined in Section 51290.5, except as provided in provision 6. below. (3) If the landowner consents to the annexation. (Govt. Code Section 51296 (d)).

Notwithstanding any provision of the Cortese-Knox Local Government Reorganization Act of 1985 (Division 3 (commencing with Government Code Section 56000)), a local agency formation commission shall not approve a change of organization or reorganization that would result in the annexation of land within the designated farmland security zone to a special district that provides sewers, nonagricultural water, or streets and roads, unless the facilities or services provided by the special district benefit land uses that are allowed under this contract and Owner consents to the change of organization or reorganization. (Govt. Code Section 51296 (e)).

6. RESTRICTION ON SCHOOL DISTRICT USE OR ACQUISITION

Notwithstanding Article 5 (commencing with Government Code Section 53090) of Chapter 1 of Division 2 of Title 5, a school district shall not render inapplicable a county zoning ordinance to use of the property by the school district (Government Code Section 51296 (f)).

Notwithstanding any provision of law, a school district shall not acquire the property, nor any portion of the property, within the designated farmland security zone. (Government Code Section 51296 (g)).

7. TERM OF CONTRACT

This contract shall become effective on the 31st day of December, 2000, and shall remain in full force and effect for an initial term of twenty years. The initial term of twenty years shall be measured commencing as of the first day of January next succeeding the date of execution. Each succeeding first day of January shall be deemed to be the annual renewal date of this contract. This contract shall be automatically renewed on each succeeding January 1 and one additional year shall be added automatically to the initial term unless notice of nonrenewal is given as provided in paragraph 12.

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8. NO COMPENSATION

Owner shall not receive any payment from County in consideration of the obligations imposed under this contract, it being recognized and agreed that the consideration for the execution of this contract is the substantial benefit to be derived therefrom, and the advantage that may accrue to Owner as a result of the effect upon the assessed value of the property on account of the restrictions on the use of the property contained herein.

9. SUCCESSORS IN INTEREST

This contract and the restrictions imposed hereunder shall run with the property described in Exhibit A and shall be binding upon the heirs, executors, administrators, trustees, successors, and assigns of Owner. This contract shall also be transferred from County to any succeeding city or county acquiring jurisdiction over the property described in Exhibit A. On the completion of annexation proceedings by a city, that city shall succeed to all rights, duties and powers of the County under this contract for that portion of the property described in Exhibit A annexed to the city.

Nonetheless, each new Owner who succeeds to ownership of the aforesaid property shall be obliged to execute a new contract identical to or more restrictive than this contract in order to perfect his rights under the Land Conservation Act.

10. DIVISION OF LAND

The property described in Exhibit A shall not be divided without the written approval of the County first had and obtained. This contract is divisible in the event the property described in Exhibit A is divided. Owner agrees to submit any proposed division to County for its approval and County, if it approves said division, shall, as a condition of its approval of the division, require the execution by Owner of a contract identical to this contract on each parcel created by the division. Owner agrees to execute such contract or contracts, as necessary. The division of land under contract within an agricultural preserve will not be approved unless it can be reasonably established that there will be no loss in the production of food and fibre within the agricultural preserve from said division.

11. CONDEMNATION

When any action in eminent domain for the condemnation of the fee title of any land described in Exhibit A is filed or when such land is acquired in lieu of eminent domain for a public improvement by a public agency or person, or whenever there is any such action or acquisition by the federal government, or any person, instrumentality or agency acting under authority or power of the federal government, this contract becomes null and void as to the land actually being condemned or so acquired as of the date the action is filed or so acquired.

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12. NOTICE OF NONRENEWAL

(a) Nonrenewal of a farmland security zone contract shall be pursuant to Article 3, (commencing with Government Code Section 51240), except as otherwise provided in Article 7, commencing with Government Code Section 51296).

(b) If either party desires in any year not to renew this contract, that party shall serve written notice of nonrenewal pursuant to Government Code Section 51245 upon the other party in advance of the annual renewal date of this contract. Unless such written notice of NONRENEWAL is served by Owner at least 90 days prior to the renewal date, or by County at least 60 days prior to the renewal date, this contract shall be considered renewed as provided in paragraph 7 above.

(c) If either party serves written notice of nonrenewal in any year within the time limits of (b) above, this contract shall remain in effect for the balance of the period remaining since the original execution or the last renewal of this contract, as the case may be.

13. LIABILITY UPON NOTICE OF NONRENEWAL

Pursuant to Revenue and Taxation Code Section 426, as may be amended from time to time, notwithstanding any provision of Revenue and Taxation Code Section 423 to the contrary, if either the County, or the Owner of the property subject to this Contract, has served Notice of Nonrenewal as provided in Section 51091, 51245, or 51296 of the Government Code, the County Assessor shall, unless the parties shall have subsequently rescinded the Contract pursuant to Government Code Section 51245 or 51255, value the property as provided herein.

(a) If Owner serves Notice of Nonrenewal, or the County serves Notice of Nonrenewal and the Owner fails to protest as provided in Section 51091, 51245, or 51296 of the Government Code, subdivision (b) below, shall apply immediately. If the County serves Notice of Nonrenewal and the Owner does protest as provided in Section 51091, 51245, or 51296 of the Government Code, subdivision (b) shall apply when less than six years remain until the termination of the period for which the property is enforceably restricted.

(b) Where any of the conditions in subdivision (a) apply, the Board or Assessor in each year until the termination of the period for which the property is enforceably restricted shall do all of the following:

(1) Determine the value of the property pursuant to Section 110.1 of the Revenue and Taxation Code. If the property is not subject to Section 110.1 of the Revenue Code when the restriction expires, the value shall be determined pursuant to Section 110 of the Revenue and Taxation Code as if it were free of contractual restriction. If the property will be subject to a use for which the Revenue and Taxation Code provides a special restricted assessment, the value shall be determined as if it were subject to the new restriction.

(2) Determine the value of the property by capitalization of income as provided in Section

423 and without regard to the existence of any of the conditions in subdivision (a).

(3) Subtract the value determined in paragraph (2) of subdivision (b) by capitalization of income from the full cash value determined in paragraph (1) of subdivision (b).

(4) Using the rate announced by the board pursuant to paragraph (1) of subdivision (b) of Section 423, discount the amount obtained in paragraph (3) of subdivision (b) for the number of years remaining until the termination of the Contract.

(5) Determine the value of the property by adding the value determined by capitalization of income as provided in paragraph (2) of subdivision (b) and the value obtained in paragraph (4) of subdivision (b).

(6) Apply the ratio prescribed in Revenue and Taxation Code Section 401 to the value of the land determined in paragraph (5) of subdivision (b) to obtain its assessed value.

#### 14. TERMINATION OF FARMLAND SECURITY ZONE DESIGNATION

Upon termination of the farmland security contract, the farmland security zone designation for the property shall simultaneously be terminated (Government Code Section 51296(b)(5)).

#### 15. CANCELLATION

This contract may be canceled by the mutual agreement of the parties hereto in the manner provided in this paragraph. It is understood by the parties hereto that the existence of an opportunity for another use of the property shall not be sufficient reason for the cancellation of this contract. A potential alternative use of the property may be considered only if there is no proximate non-contracted land suitable for the use to which it is proposed that this property be put. The parties further understand that the uneconomic character of an existing agricultural use shall not be sufficient reason for cancellation of this contract, but may be considered only if there is no other reasonable or comparable agricultural use to which the land may be put.

(a) Upon the written request of Owner to cancel this contract, the Board of Supervisors of the County of Monterey may adopt a resolution consenting to such request. Prior to the adoption of a resolution consenting to the request of the landowner to cancel this contract, the Board of Supervisors of County shall hold a public hearing on the matter. Notice of the hearing shall be mailed to each and every owner of property under contract within the agricultural preserve in which the property described in Exhibit A is located, and shall be published pursuant to Section 6061 of the Government Code. In addition, at least 10 working days prior to the hearing, a notice of hearing and a copy of the landowner's petition shall be mailed to the Director of Conservation pursuant to section 51284 of the Government Code. At the hearing, or prior thereto, the owner of any property in which this agricultural preserve is situated may protest such cancellation to the Board of Supervisors.



(b) The Board of Supervisors may adopt a resolution consenting to the request of Owner to cancel this contract only if they find: (1) The cancellation is not inconsistent with the purposes of the California Land Conservation Act of 1965 as amended; and (2) the cancellation is in the public interest.

16. LIABILITY OF OWNER UPON CANCELLATION

(a) Prior to any action by the Board of Supervisors giving tentative approval to the cancellation of this contract, the County Assessor shall, pursuant to Revenue and Taxation Code Section 401, determine the full cash value of the land as though it were free of the contractual restrictions imposed by this contract. The Assessor shall certify to the Board of Supervisors the cancellation valuation of the land for the purpose of determining the cancellation fee.

(b) The Board of Supervisors shall thereafter and prior to giving tentative approval to the cancellation of this contract determine and certify to the County Auditor the amount of the cancellation fee which the Owner must pay the County Treasurer as deferred taxes upon cancellation. That fee shall be an amount equal to 12 ½ percent of the cancellation valuation of the property.

(c) If the Board of Supervisors recommends that it is in the public interest to do so, and the Secretary of the Resources Agency so finds, the Board may waive any such payment or any portion thereof, or may make such payment or portion thereof, or may extend the time for making the payment or a portion of the payment contingent upon the future use made of the property and its economic return to Owner for a period of time not to exceed the unexpired term of the contract had it not been canceled, provided: (1) the cancellation is caused by an involuntary transfer or change in the use which may be made of the property and the property is not immediately suitable, nor will be immediately used, for a purpose which produces a greater economic return to Owner; and (2) the Board of Supervisors has determined it is in the best interests of the program to conserve agricultural land use that such payment be either deferred or is not required; and (3) the waiver or extension of time is approved by the Secretary of the Resources Agency pursuant to Government Code Section 51283.

(d) Owner shall make payment of the cancellation fee in full prior to the cancellation becoming effective.

17. NOTICES

All notices required or permitted by this contract shall be given in writing and may be mailed or delivered in person. If mailed, the address of Owner shall be the last known address on the assessment records of County, and County's address shall be In Care of Board of Supervisors, Courthouse, Salinas, California 93901, and deposit in the mail, postage prepaid, shall be deemed receipt thereof.

18. COSTS OF LITIGATION

In case County shall, without any fault on its part, be made a party to any litigation commenced by or against Owner, then Owner shall and will pay all costs and reasonable attorneys fees incurred by or imposed upon County by or in connection with such litigation, and Owner shall and will pay all costs

and reasonable attorneys fees which may be incurred or paid by County in enforcing the covenants and agreements of this contract.

19. ENFORCEMENT

In the event of breach of this contract, including but not limited to: (1) incompatible use, or (2) failure of successors in interest to sign a contract similar to this one, or (3) failure to obtain the approval of the Board of Supervisors for a division of the land under contract, all the affected property under contract shall be reassessed at full cash value pursuant to Revenue and Taxation Code Section 110.1.

However, such reassessment for the period encompassed by the breach shall not terminate the contract. Reassessment shall be in addition to the other remedies available to the County including, but not limited to, an action to enforce the contract by specific enforcement or injunction under Government Code Section 51251.

If incompatible uses during the period of breach have diminished the ability of the property to contribute to the production of food and fibre on the lien date, the property shall be reassessed at full cash value, and the Farmland Security Zone designation shall be terminated.

The period of breach is the period commencing upon breach as set forth above, and ending upon cure of the breach. If the lien or assessment date falls within the period of the breach, all the property under this contract will be reassessed at full cash value pursuant to Revenue and Taxation Code Section 110.1, or as otherwise provided in provisions 13. or 16. above, as applicable as determined by the County Assessor, consistent with the provisions of the Revenue and Taxation Code, as may be amended from time to time.

**IN WITNESS WHEREOF** the parties have caused this contract to be executed by Owner on the date affixed next to the signature of each, and by County on the date affixed next to the signature of the chairperson of the Board of Supervisors.

COUNTY OF MONTEREY

Dated: 12/5/00

By:   
Board of Supervisors

///  
///  
///  
///



**ACKNOWLEDGMENT**

State of California    )  
                                  ) ss.  
County of Monterey    )

On December 5, 2000, before me SALLY R. REED, Clerk of the Board of Supervisors, in and for said County and State, personally appeared \_\_\_\_\_  
Louis R. Calcagno, known to me to be the person who executed the within instrument on behalf of said political subdivision, and acknowledged to me that such County of Monterey executed the same.

SALLY R. REED, Clerk of the  
Board of Supervisors of  
Monterey County, State of California

By Candyn Hernandez  
Deputy

///  
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**FAIRVIEW VINEYARDS, a California General Partnership, Owner**

**By Its General Partners:**

KING CITY PARTNERS, a California Limited Partnership, General Partner

By: Toeppen Family Partnership, LP as General Partner of King City Partners

By: Toeppen Family, LLC as General Partner of Toeppen Family Partnership, LP

By: Toeppen 1991 Trust, as Managing Member of Toeppen Family, LLC

Dated: 7 Nov 00

By:   
R. Paul Toeppen, Trustee


Dated: 8 Nov 00

  
W.B. LINDLEY, General Partner therein

Dated: 13 Nov 00

  
PHILLIP K. JOHNSON, General Partner

Dated: 8 Nov 00

  
HILLIS ANNE JOHNSON, as Trustee of the Hillis Anne Johnson Revocable Living Trust dated July 21, 1997, General Partner

**LOCKWOOD PARTNERS, LP, a California Limited Partnership, Owner**

**By Its General Partner:**

MONTEREY WINERY, a California Corporation

Dated: 7 Nov 00

By:   
R. Paul Toeppen, Chairman and President

Dated: 8 Nov 00

  
W.B. LINDLEY, Director / Vice President

Dated: 13 Nov 00

  
PHILLIP R. JOHNSON, Director / Vice President





State of California )  
 )  
County of Monterey ) ss.

On 4/16, 2000 before me, the undersigned notary public, personally appeared **PHILLIP R. JOHNSON**,

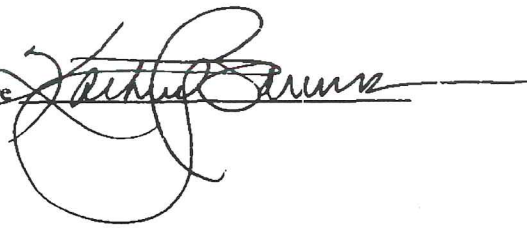
personally known to me, or  
 proved to me on the basis of satisfactory evidence

to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

(Seal)

Signature







The land referred to in this report is situated in the State of California, County of Monterey and is described as follows:

All that certain real property described below, excepting therefrom all buildings, improvements, fixtures and irrigation equipment of any nature and any additions or replacements thereto, now located on either the following described real property or the appurtenant servitudes, as reserved in the deed from South County Property Company, a California general partnership to JHRD 120 Corp., a Delaware corporation by deed dated November 25, 1981, and recorded December 1, 1981, in Reel 1519, Page 583, Official Records, of Monterey County, State of California.

Situate in the County of Monterey, State of California, and being particularly described as follows, to-wit:

PARCEL I:

Certain real property situate in the Rancho San Lucas, in the County of Monterey, State of California, being a part of Lot 1, of said lot is shown on map entitled, "Map No. 1 Accompanying Report of Referees Showing Part of the Property Partitioned in The Ranchos San Lucas, San Benito, San Bernardo", filed August 27, 1895 in Volume 1 of Surveys at Page 34, Records of said County, said part being particularly described as follows:

Beginning at a 1" diameter iron pipe standing in the Southeasterly boundary of said Rancho San Lucas from which the most Southerly corner thereof bears along said boundary S. 43° 11' W., 2,999.3 feet distant and running thence along said boundary

(1) N. 43° 11' E., 6,175.0 feet to intersection with the centerline of Paris Valley Road (a county road 40 feet wide); thence leave said Rancho boundary and running along said road centerline and Southwesterly boundary of that certain 2,678.67 acre tract of land described in deed from Julius G. Trescony, et ux., to Lucio Echenique, et ux., dated November 13, 1935 and recorded in Volume 475, Official Records, at Page 28, Records of said County,

(2) N. 37° 59' W., 4,931.5 feet; thence

(3) N. 47° 58' W., 237.9 feet; thence

(4) N. 41° 50' W., 299.1 feet; thence

(5) N. 34° 56' W., 417.6 feet; thence

(6) N. 44° 46' W., 308.1 feet; thence

(7) N. 31° 12' W., 525.4 feet; thence

(8) N. 35° 12' W., 263.2 feet; thence

(9) N. 40° 34' W., 343.9 feet; thence

(10) N. 51° 41' W., 232.5 feet; thence

(11) N. 34° 38' W., 248.0 feet; thence

(12) N. 45° 16' W., 256.0 feet; thence

- (13) N. 31° 10' W., 332.5 feet; thence
- (14) N. 40° 41' W., 360.1 feet; thence
- (15) N. 61° 11' W., 219.9 feet; thence
- (16) N. 38° 16' W., 110.1 feet; thence
- (17) N. 17° 27' W., 229.8 feet; thence
- (18) N. 28° 18' W., 663.5 feet; thence
- (19) N. 36° 38' W., 180.0 feet; thence
- (20) N. 51° 31' W., 130.5 feet; thence
- (21) N. 74° 30' W., 200.7 feet; thence
- (22) N. 56° 36' W., 146.5 feet; thence
- (23) N. 27° 33' W., 249.3 feet; thence
- (24) N. 53° 06' W., 191.3 feet; thence
- (25) N. 22° 01' W., 425.0 feet; thence
- (26) N. 37° 30' W., 549.3 feet; thence
- (27) N. 63° 48' W., 237.9 feet; thence
- (28) N. 55° 35' W., 243.9 feet; thence
- (29) N. 34° 23' W., 948.1 feet to the angle point formed by courses numbered "(118)"  
"(119)" in the Easterly boundary of that certain 629.79 acre tract of land described in  
deed from Edgar C. Brownlee, et ux., to Lucio Echenique, et ux., dated September 30,  
1940 and Re-Recorded in Volume 1092, Official Records, at Page 150, Records of said  
County; thence leave said road centerline and Southwesterly boundary and running along  
the Easterly boundary of said 629.79 acre tract of land,
- (30) S. 59° W., 34.2 feet to 4" x 4" post "FVR-29"; thence
- (31) S. 14° E., 313.8 feet; thence
- (32) S. 21° E., 187.0 feet; thence
- (33) S. 28° E., 180.8 feet; thence
- (34) S. 11° 30' E., 54.4 feet; thence
- (35) S. 6° 30' W., 519.3 feet; thence
- (36) S. 20° W., 305.5 feet; thence
- (37) S. 25° 25' W., 567.8 feet; thence
- (38) S. 12° W., 336.2 feet; thence

- (39) S. 23° 50' W., 1,463.1 feet to a 3" x 3" fence post "JGT-11A"; thence
- (40) S. 20° 55' W., 1,560.0 feet; thence
- (41) S. 26° 50' W., 153.3 feet; thence
- (42) S. 32° 25' W., 827.8 feet; thence
- (43) S. 19° 50' W., 358.5 feet; thence
- (44) S. 10° 40' W., (erroneously stated as S. 10° 40' E., in Volume 1092, Official Records at Page 150) 964.3 feet; thence
- (45) S. 34° 10' W., 1,034.7 feet to a 4" x 4" post "JGT-6-A"; thence leave said mentioned boundary and running,
- (46) S. 63° 52' E., 311.7 feet; thence
- (47) S. 25° 05' E., 121.1 feet; thence
- (48) S. 0° 44' W., 112.9 feet; thence
- (49) S. 19° 14' W., 341.8 feet; thence
- (50) S. 33° 36' E., 184.0 feet; thence
- (51) S. 1° 43' E., 455.0 feet; thence
- (52) S. 36° 58' E., 102.7 feet; thence
- (53) S. 68° 01' E., 242.1 feet; thence
- (54) S. 59° 15' E., 1,221.6 feet; thence
- (55) S. 46° 44' E., 73.5 feet; thence
- (56) S. 43° 13' E., 457.1 feet; thence
- (57) S. 36° 04' E., 139.5 feet; thence
- (58) S. 24° 35' E., 1,479.2 feet to Post "JAT-30"; thence
- (59) S. 24° 24 1/2' E., 2,220.41 feet; thence
- (60) S. 69° 13 1/4' E., 122.79 feet; thence
- (61) N. 35° 41 1/2' E., 588.33 feet; thence
- (62) N. 36° 15 1/2' E., 1,235.56 feet; thence
- (63) N. 49° 34' E., 86.06 feet; thence
- (64) N. 66° 44 1/2' E., 108.28 feet; thence
- (65) N. 78° 34' E., 114.78 feet; thence



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- (66) N. 87° 39' E., 105.40 feet; thence
- (67) S. 85° 38' E., 87.99 feet to fence post "P-29"; thence
- (68) S. 75° 58' E., 89.95 feet to a 3/4" diameter iron pipe; thence
- (69) S. 59° 37' E., 341.7 feet to a 1" diameter iron pipe; thence
- (70) S. 53° 13' E., 134.7 feet; thence
- (71) S. 46° 28' E., 135.95 feet; thence
- (72) S. 40° 15' E., 255.4 feet; thence
- (73) S. 31° 08' E., 94.6 feet; thence
- (74) S. 23° 48' E., 1,880.45 feet to the place of beginning.

EXCEPTING THEREFROM that certain parcel of land described in deed from Julius G. Trescony, et ux., to the Pacific Telephone and Telegraph Company (a California corporation), dated August 10, 1953 and recorded in Volume 1474, Official Records at Page 450, Records of Monterey County, California.

ALSO EXCEPTING THEREFROM all that portion thereof which is included in Parcel II hereinafter described.

ALSO EXCEPTING THEREFROM AN UNDIVIDED EIGHTH (1/8) INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from Julius G. Trescony to Louis J. Trescony, et al., dated June 28, 1963 and recorded August 8, 1963 on Reel 212, Official Records at Page 443, Monterey County Records.

ALSO EXCEPTING THEREFROM all that portion conveyed to the State of California by deed dated June 20, 1969 and recorded September 16, 1969, on Reel 621, Official Records, Page 125.

ALSO EXCEPTING THEREFROM all that portion conveyed to The Pacific Telephone and Telegraph Company, a corporation by deed dated March 5, 1971 and recorded March 15, 1971 on Reel 692, Official Records at Page 644.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 7/16 INTEREST in and to all oil, gas hydrocarbons and other minerals in, on or underlying said lands as reserved in the Deed from Louis J. Trescony, Mario Trescony and Julian B. Trescony, dated December 1, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California in Recorder's Series No. G43056.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 7/32 INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from South County Property Company, a California general partnership dated November 25, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California, Recorder's Series Number G43062.

APN: 233-021-022, 233-021-023 AND 233-021-029 (PORTION)

PARCEL II:

A part of Rancho San Lucas, being a part of Lot 1, as said lot is shown and so designated on that certain "Map Number 1", accompanying the report of the referees in suit Number 2307 in the Superior Court of the State of California, in and for the County of Monterey, entitled, "Teresa Johnson, et al., -vs- Julius A. Trescony, et al.", filed for record in Volume 1 of Surveys at Page 34, Records of Monterey County, California and also being a part of that certain 2270.96 acre tract of land conveyed by Julius G. Trescony, et al., to Julius G. Trescony, by deed dated November 16, 1929 and recorded in Volume 221, Official Records, Page 118, Records of Monterey County, California, said part being particularly described as follows, to-wit:

Beginning at the most Easterly corner of said 2270.96 acre tract of land, said corner being in the centerline of the Paris Valley County Road (40 feet wide) at the intersection of said road centerline with the Southeasterly boundary of said Rancho San Lucas, and running thence along said centerline and boundary of said 2270.96 acre tract of land,

- (1) N. 37° 59' W., 4931.5 feet; thence
- (2) N. 47° 58' W., 237.9 feet; thence
- (3) N. 41° 50' W., 137.4 feet; thence leave said road centerline and continuing along the boundary of said 2270.96 acre tract of land,
- (4) S. 40° 42' W., 350.5 feet, at 20.0 feet a 4" x 4" post on the Southwesterly side of Paris Valley County Road, 350.5 feet to a point; thence
- (5) S. 55° 47' W., 250.1 feet to a 4" x 4" post marked JAT2; thence
- (6) S. 2° 55' E., 314.4 feet; thence
- (7) S. 12° 20' W., 105.5 feet; thence
- (8) S. 31° 39' W., 269.7 feet to a 4" x 4" post marked JAT6; thence
- (9) S. 26° 47' W., 439.0 feet to a 4" x 4" post marked JAT7; thence
- (10) S. 44° 35' W., 301.4 feet to a 4" x 4" post marked JAT8; thence
- (11) S. 60° 14' W., 182.6 feet to a 4" x 4" post marked JAT9; thence
- (12) S. 40° 30' W., 361.2 feet; thence
- (13) S. 29° 05' W., 361.2 feet to a 4" x 4" post marked JAT11; thence
- (14) S. 60° 04' W., 198.0 feet; thence
- (15) S. 47° 33' W., 291.3 feet; thence
- (16) S. 34° 56' W., 530.8 feet; thence
- (17) S. 58° 57' W., 359.7 feet; to a 3" x 4" post marked JAT15; thence
- (18) S. 23° 49' W., 342.1 feet; thence
- (19) S. 40° 48' W., 298.4 feet; thence

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- (20) S. 29° 29' W., 463.2 feet; thence
- (21) S. 10° 45' E., 132.8 feet; thence
- (22) S. 20° 48' W., 99.8 feet; thence
- (23) S. 44° 51' W., 84.9 feet to a 3" x 4" post marked JAT21; thence leave the boundary of said 2270.96 acre tract of land and running;
- (24) S. 44° 12' W., 102.5 feet to fence post 22; thence
- (25) S. 32° 25' W., 132.6 feet to fence post 23; thence
- (26) S. 56° 53' W., 87.9 feet to fence post 24; thence
- (27) S. 44° 47' W., 90.95 feet to a 3/4" diameter iron pipe set at the foot of fence post 25; thence
- (28) S. 5° 11' W., 327.0 feet to fence post 26; thence
- (29) S. 22° 57' W., 258.4 feet to a 3/4" diameter iron pipe set at the foot of fence post 27; thence
- (30) S. 51° 36' E., 1434.9 feet to a 1" diameter iron pipe; thence
- (31) S. 6° 01' W., 43.0 feet to fence post 29; thence
- (32) S. 75° 47' E., 89.9 feet to a 3/4" diameter iron pipe; thence
- (33) S. 59° 37' E., 341.7 feet to a 1" diameter iron pipe; thence
- (34) S. 53° 13' E., 134.7 feet to fence post 32; thence
- (35) S. 46° 28' E., 135.95 feet to a 1" diameter iron pipe; thence
- (36) S. 40° 15' E., 255.4 feet to a 1" diameter iron pipe; thence
- (37) S. 31° 08' E., 94.6 feet to a 1" diameter iron pipe; thence
- (38) S. 23° 48' E., 1880.45 feet to a 1" diameter iron pipe set at fence corner in the Southeasterly boundary of said Rancho San Lucas; thence along said rancho boundary
- (39) N. 43° 11' E., 6175.0 feet more or less to the place of beginning.

Courses all true.

EXCEPTING AN UNDIVIDED ONE-HALF (1/2) INTEREST in and to all oil, gas and/or minerals in and to said lands, together with the right of the grantor, her heirs, assigns, lessees and legal representatives at all times to enter on the above described land and to take all of the usual, necessary or convenient means to bore wells, make excavations and to remove the oil and/or minerals therein reserved and found thereon, as recited in the deed from Mercedes Trescony Thurman to J.G. Trescony, and Marie G. Trescony, his wife, dated March 27, 1950 and recorded March 31, 1950 in Volume 1206, Official Records of Monterey County at Page 462, Series No. 15397.

ALSO EXCEPTING AND UNDIVIDED ONE-SIXTEEN (1/16) INTEREST in and to all the oil, gas



and/or minerals in and to said lands, together with the right of ingress and egress at all times for the purposes of drilling, mining and exploring said lands for said oil, gas hydrocarbons or minerals and removing the same therefrom, as conveyed to Julius G. Trescony, by deed dated July 11, 1958 and recorded July 14, 1958 in Volume 1882, Official Records at Page 199, Monterey County Records.

ALSO EXCEPTING THEREFROM all that portion conveyed to the County of Monterey by deed dated July 16, 1968 and recorded August 2, 1968 on Reel 567, Official Records, Page 881.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 7/32 INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from Louis J. Trescony, Mario Trescony, and Julian B. Trescony dated December 1, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County Monterey, State of California in Recorder's Series Number G43056.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 7/64 INTEREST in and to all oil, gas, hydrocarbons and other minerals, in, on or underlying said lands as reserved in the deed from South County Property Company, a California general partnership, dated November 25, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California, Recorder's Series Number G 43062.

APN: 233-021-006

PARCEL III:

Certain real property situate in the Rancho San Lucas in the County of Monterey, State of California, being a part of Lot 1 as said lot is shown on map entitled, "Map No. 1 Accompanying Report of Referees Showing part of the Property Partitioned in The Ranchos San Lucas, San Benito, San Bernardo", filed August 27, 1895 in Volume 1 of Surveys at Page 34, Records of said County, said part being particularly described as follows:

Beginning at a Post marked "JAT-30" referred to in course (58) in the Quitclaim Deed from Julius G. Trescony, et al., to Louis J. Trescony, Mario Trescony and Julian E. Trescony, dated June 28, 1963 and recorded August 8, 1963 on Reel 212, Official Records, Page 443, Monterey County Records and running thence,

- (1) S. 49° 25 1/2' W., 1,534.30 feet to a point; thence
- (2) S. 24° 24 1/2' E., 901.40 feet to a point; thence
- (3) S. 87° 35 1/2' E., 1,651.50 feet to a point in said course (58) from which a 1 inch iron pipe bears S. 24° 24 1/2' E., 148.90 feet distant; thence
- (4) N. 24° 24 1/2' W., 2,073.00 feet to the point of beginning.

EXCEPTING FROM all the above described property the following:

Certain real property situate in Lot 1 of Rancho San Lucas, County of Monterey, State of California, being a portion of that certain tract of land described in deed from Julius G. Trescony to Louis J. Trescony dated February 28, 1957 and recorded in Reel 497 of Official Records, Page 258, Records of said County, said portion being more particularly described as follows:

BEGINNING at a post marked "JAT-30" marking the most Northerly corner of the hereinbefore mentioned tract of land and running thence along the Northwesterly and



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Southwesterly boundary thereof

- (1) S. 49° 25' 30" W., 1534.30 feet; thence
- (2) S. 24° 24' 30" E., 241.19 feet; thence leaving the last mentioned Southwesterly boundary
- (3) N. 43° 36' 51" E., 492.14 feet; thence
- (4) N. 43° 39' 02" E., 1096.69 feet to the Northeasterly boundary of the hereinbefore mentioned tract of land; thence running Northerly along the last mentioned Northeasterly boundary
- (5) N. 24° 24' 30" W., 74.43 feet to the point of beginning.

Courses all true.

EXCEPTING THEREFROM AN UNDIVIDED 1/2 INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said land as reserved in the deed from Louis J. Trescony, Mario Trescony and Julian B. Trescony dated December 1, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California, Recorder's Series Number G 43056.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 1/4 INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from South County Property Company, a California general partnership dated November 25, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California, Recorder's Series Number G 43062.

APN: 233-021-029 (PORTION)

PARCEL IV:

Certain real property situate in Lot 1 of the Rancho San Lucas, County of Monterey, State of California, being a portion of that certain 1446.08 acre tract of land described under Parcel "2" in the "Land Conservation Agreement" between Julius G. Trescony and the County of Monterey, dated February 18, 1969 and recorded in Reel 595 of Official Records at Page 525, Records of said County, said portion being more particularly described as follows:

BEGINNING at an angle point in the Northeasterly boundary of said 1446.08 acre tract of land at the Southerly terminus of course number 37 (S. 19° 14' W., 341.8 feet) in description of last mentioned tract; thence running Southeasterly along the Northeasterly boundary of said 1446.08 acre tract of land

- (1) S. 33° 36' E., 183.96 feet; thence
- (2) S. 1° 43' E., 454.91 feet; thence
- (3) S. 36° 58' E., 102.68 feet; thence
- (4) S. 68° 01' E., 242.05 feet; thence
- (5) S. 59° 15' E., 431.81 feet; thence leaving the last mentioned Northeasterly boundary

- (6) N. 61° 37' 58" W., 189.52 feet; thence
- (7) N. 76° 59' 03" W., 551.98 feet; thence
- (8) N. 56° 30' 23" W., 110.40 feet; thence
- (9) N. 28° 35' 21" W., 238.45 feet; thence
- (10) N. 34° 05' 21" W., 340.57 feet; thence
- (11) N. 59° 51' 50" E., 206.15 feet; thence
- (12) N. 48° 56' 56" E., 199.70 feet to the point of beginning.

EXCEPTING THEREFROM AN UNDIVIDED 1/2 INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from Louis J. Trescony, Mario Trescony and Julian B. Trescony dated December 1, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California in Recorder's Series Number G43056.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 1/4 INTEREST in and to all the oil, gas hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from South County Property Company, a California general partnership dated November 25, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California, Recorder's Series Number G 43062.

APN: 233-031-009

PARCEL V:

Together with appurtenant servitudes including, but not limited to, the right to drill for and to take water, easements for road purposes, pipe lines, pumping plant and drainage of waste waters, reserved in the deed from Julius G. Trescony, et ux., to Lucio Echenique, et ux., dated November 13, 1935 and recorded March 17, 1936 in Volume 475, Official Records, at Page 28.

EXCEPTING FROM the above described property that certain real property as described in that deed from Fairview Vineyards, a California general partnership, to Lockwood Partners, LP, a California general partnership, which deed is dated November 29, 1999, and was recorded on October 31, 2000 as Series No. 71120 in the Office of the County Recorder of Monterey County, California.

The land referred to in this report is situated in the State of California, County of \_\_\_\_\_ and is described as follows:

PARCEL I:

All that certain real property described below, excepting therefrom all buildings, improvements, fixtures and irrigation equipment of any nature and any additions or replacements thereto, now located on either the following described real property or the appurtenant servitudes, as reserved in the deed from South County Property Company, a California general partnership to JHRD 120 Corp., a Delaware corporation by deed dated November 25, 1981, and recorded December 1, 1981, in Reel 1519, Page 593, Official Records, of Monterey County, State of California.

Situate in the County of Monterey, State of California, and being particularly described as follows, to-wit:

Parcel 2, as said parcel is shown and so designated on that certain Record of Survey filed for record on September 13, 1999 in Volume 23 of "Surveys", Page 8, Monterey County Records.

EXCEPTING THEREFROM AN UNDIVIDED EIGHTH (1/8) INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from Julius G. Trescony to Louis J. Trescony, et al., dated June 28, 1963 and recorded August 8, 1963 on Reel 212, Official Records at Page 443, Monterey County Records.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 7/16 INTEREST in and to all oil, gas hydrocarbons and other minerals in, on or underlying said lands as reserved in the Deed from Louis J. Trescony, Mario Trescony and Julian B. Trescony, dated December 1, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California in Recorder's Series No. G43056.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 7/32 INTEREST in and to all oil, gas, hydrocarbons and other minerals in, on or underlying said lands as reserved in the deed from South County Property Company, a California general partnership dated November 25, 1981 recorded December 1, 1981 in the Office of the County Recorder of the County of Monterey, State of California, Recorder's Series Number G43062.

RESERVING THEREFROM a non-exclusive easement for ingress and egress by pedestrian and vehicular means over and across that portion which is designated "centerline 30' wide road and utility easement" lying within Parcel 2 above described.

ALSO RESERVING THEREFROM a non-exclusive easement for lines, poles, pipes, cables, conduits and wires (collectively called "the easement facilities") for telephone service, electrical service, domestic water service, main water transfer (for agricultural purposes) and water for fire protection purposes over and across that portion designated "centerline 30' wide road and utility easement" lying within Parcel 2 above described and over that portion burdened by the easements for Easement Facilities which are now in place so far as is practical in the present location of the Easement Facilities on the date of this Deed.

PARCEL II:

A non-exclusive easement for ingress and egress by pedestrian and vehicular means over a strip of land thirty (30) feet in width, the centerline of such easement is shown and so designated as "centerline 30' wide road and utility easement" on the Record of

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Page 3 of Legal Description

Survey filed for record on September 13, 1994 in Volume 23 of "Surveys", Page 8, Monterey County Records. The easement granted runs from Paris Valley Road in a Southwesterly direction to the South line of Parcel 2 as shown on said map.

A.P. NO.: 233-021-031



EXHIBIT "B"

LAND CONSERVATION AGREEMENT

COMPATIBLE USES

The following is a list of land uses determined to be compatible with the agricultural use of the land subject to this agreement and planning and zoning restrictions:

1. The drying, packing or other processing of an agricultural commodity usually performed on the premises where it is produced but not including slaughter houses, fertilizer yards, bone yards or plants for the reduction of animal or vegetable matter.
2. Structures necessary and incidental to the agricultural use of the land.
3. Single family dwellings incidental to the agricultural use of the land for the residence of the owner, and the family of the owner.  
  
Single family dwellings incidental to the agricultural use of the land for the residence of the lessee of the land and the family of the lessee.
4. Dwelling for persons employed by owner or lessee in the agricultural use of the land.
5. An aircraft landing strip incidental to the agricultural use of the land.
6. The erection, construction, alteration or maintenance of gas, electric, water or communication utility facilities.
7. The erection, construction, alteration or maintenance of radio, television or microwave antennas, transmitters and related facilities.
8. Public or private hunting of wildlife or fishing.
9. Public or private hunting clubs and accessory structures.
10. Public or private rifle and pistol practice range, trap or skeet field, archery range or other similar use.
11. Public or private riding or hiking trails.
12. Removal of natural materials.

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**END OF DOCUMENT**