



# AGENDA REPORT

SAN CLEMENTE CITY COUNCIL MEETING  
Meeting Date: August 21, 2018

Agenda Item 6L

**Approvals:**

City Manager [Signature]

Dept. Head [Signature]

Attorney [Signature]

Finance [Signature]

**Department:** City Manager  
**Prepared By:** City Attorney

**Subject:** CONSIDERATION AND ADOPTION OF A RESOLUTION ACCEPTING A CONSERVATION EASEMENT FROM THE MARBLEHEAD HOA TO MAINTAIN EXISTING OPEN SPACE CONSISTENT WITH CURRENT GENERAL PLAN AND ZONING DESIGNATIONS

**Fiscal Impact:** Yes. Legal fees in the drafting of the conveyance process and minor potential costs associated with monitoring compliance with the conservation restrictions imposed by the easement, which are budgeted in FY 2018-19.

**Summary:** The City's General Plan and Zoning Ordinance designate approximately 287 acres of land owned by the Marblehead Community Association ("HOA") as open space (the "Open Space Area"). One of the TCA's proposed routes for extending the 241 toll road would pass through the Open Space Area. To make it more likely that the Open Space Area remain undeveloped, the HOA is granting to the City a perpetual conservation easement that covers nearly all the Open Space Area (the "Conservation Easement"). Staff recommends accepting the offered Conservation Easement.

**Background:** The Open Space Area has long been designated as open space by the City's General Plan and Zoning Ordinance. Specifically, the City's General Plan designates the Open Space Area as open space and acknowledges the Area's cultural, aesthetic, ecological, and environmental importance to the City and the region. Consistent with the General Plan, the City's Zoning Ordinance requires that the Open Space Area remain as open space.

It is the State of California's policy "that the preservation of land in its natural, scenic, ... open-space condition is among the most important environmental assets of California," so it is "in the public interest of this state to encourage the voluntary conveyance of conservation easements to qualified nonprofit organizations" (Civil Code § 815), including "any city" (Civil Code § 815.3(b)). By statute, conservation easements are transferrable to subsequent grantees, but they are perpetual. Unlike the general plan and zoning restrictions, which can be changed by a future city council, with only limited exceptions a statutory conservation easement may not be undone by either the people of San Clemente or their government.

The TCA has proposed extending the 241 Toll Road through San Clemente. One of the proposed routes would pass through the Open Space Area. This would cause permanent, irreversible damage and undermine the important cultural, aesthetic, ecological, environmental, and social value of the Open Space Area to San Clemente and the region. The HOA and the City have both expressed concern about this

possibility and have determined that it is in both the HOA's and the public's best interest to protect the Open Space Area from development to every possible extent.

**Discussion:** This further protection takes the form of a statutory conservation easement from the HOA to the City (again, the Conservation Easement).

Staff and the City Attorney have worked with the HOA and its legal counsel to draft the Conservation Easement. The draft that is included as Attachment 2 to this report has been approved by the HOA's board and is offered for the Council's consideration and approval.

Staff recommends that the Council adopt the attached resolution authorizing the City Manager to accept the proposed Conservation Easement on the City's behalf, subject to any non-substantive changes approved by the City Attorney and City Manager that might be necessary in the final execution of the documents.

***Environmental***

**Determination:** Staff recommends that the City Council find the adoption of the attached resolution, as documented therein, is categorically exempt from CEQA under State CEQA Guidelines sections 15301 and 15061(b)(3) because the proposed action involves no expansion of use or capacity, and because it can be seen with certainty that the proposed action will not result in any potentially significant physical impact to the environment. The resolution does not increase use or capacity of existing structures above what is already permitted by way of existing building codes and land use regulations, and no change of use is proposed or allowed. The resolution maintains the status quo as to valuable open space. Further, none of the exceptions to use of a categorical exemption identified in State CEQA Guidelines section 15300.2 are present. Each of the foregoing exemptions alone exempts the whole of the action

***Recommended***

**Actions:** Staff recommends that the City Council adopt Resolution No. \_\_\_\_, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, ACCEPTING A CONSERVATION EASEMENT FROM THE MARBLEHEAD HOA TO MAINTAIN EXISTING OPEN SPACE CONSISTENT WITH CURRENT GENERAL PLAN AND ZONING DESIGNATIONS"

- Attachments:**
1. Draft resolution entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, ACCEPTING A CONSERVATION EASEMENT FROM THE MARBLEHEAD HOA TO MAINTAIN EXISTING OPEN SPACE CONSISTENT WITH CURRENT GENERAL PLAN AND ZONING DESIGNATIONS"
  2. Proposed Conservation Easement
 

Exhibit A.	Description of Property
Exhibit B.	Description of Conservation Easement Area

**Notification:** Notice was given in accordance with state law and the San Clemente Municipal Code.

RESOLUTION NO. \_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SAN CLEMENTE, CALIFORNIA, ACCEPTING A  
CONSERVATION EASEMENT FROM THE MARBLEHEAD  
HOA TO MAINTAIN EXISTING OPEN SPACE CONSISTENT  
WITH CURRENT GENERAL PLAN AND ZONING  
DESIGNATIONS**

WHEREAS, the Marblehead Community Association ("HOA") is the sole owner in fee simple of approximately 287 acres of real property in the City of San Clemente, County of Orange, State of California, as legally described and depicted in Exhibit A to the proposed conservation easement that is included as Attachment 3 to the accompanying staff report (hereafter, "Conservation Easement"), which exhibit is incorporated herein by this reference (the "Property"); and

WHEREAS, with the exception of certain infrastructure and roadway improvements specified in the Marblehead Inland Master Plan (the "Master Plan") and the approved tentative tract maps implementing the Master Plan, the Property was required to remain as permanent natural open space to satisfy a condition of approval of the Master Plan; and

WHEREAS, to implement the Master Plan requirements and consistent with the terms and conditions of the proposed Conservation Easement, a substantial portion of the Property, which is described in Exhibit B to the Conservation Easement (the "Conservation Easement Area"), should remain in a natural condition and is intended to be preserved, in perpetuity, in its natural, scenic, open condition to maintain its ecological, historical, visual, and educational values; and

WHEREAS, the Conservation Easement Area includes, among other important natural resources, federally-designated Critical Habitat for the California gnatcatcher, a songbird protected as "threatened" under the federal Endangered Species Act, and substantial wetland and riparian habitats; the HOA therefore wishes to further the original commitment to preserve the Conservation Easement Area as permanent natural open space by executing the Conservation Easement in favor of the City; and

WHEREAS, it is the State of California's policy "that the preservation of land in its natural, scenic, ... open-space condition is among the most important environmental assets of California," so it is "in the public interest of this state to encourage the voluntary conveyance of conservation easements to qualified nonprofit organizations" (Civil Code § 815), including "any city" (Civil Code § 815.3(b)); and

WHEREAS, by statute, conservation easements are transferrable to subsequent grantees, but they are perpetual; and

WHEREAS, unlike general plan and zoning restrictions, which can be changed by a future city council, with only limited exceptions a statutory conservation easement may not be undone by either the people or their government; and

WHEREAS, the Transportation Corridor Agencies ("TCA") has proposed extending

the 241 toll road through San Clemente, and one of the proposed routes would pass through the Open Space Area; and

WHEREAS, this would cause permanent, irreversible damage and undermine the important cultural, aesthetic, ecological, environmental, and social value of the Open Space Area to San Clemente and to the region; and

WHEREAS, the HOA and the City have both expressed concern about this possibility and have determined that it is in both the HOA's and the public's best interest to further protect the Open Space Area from development; and

WHEREAS, this further protection takes the form of a statutory conservation easement from the HOA to the City (i.e., the Conservation Easement); and

WHEREAS, City staff and the City Attorney have worked with the HOA and its legal counsel to draft the Conservation Easement, which has been approved by the HOA's board and is offered for the Council's consideration and approval; and

WHEREAS, the City is authorized by Civil Code sections 815 and 815.3 to accept and hold conservation easements and has the power to hold interests in real property.

NOW, THEREFORE, the City Council of the City of San Clemente does hereby resolve as follows:

Section 1. The Recitals above are true and correct and are hereby incorporated into this Resolution.

Section 2. Acceptance of the Conservation Easement is exempt from the California Environmental Quality Act ("CEQA") under State CEQA Guidelines section 15061(b)(3), because it can be seen with certainty that there is no possibility that the proposed action will have a significant effect on the environment, as it will preserve the existing land-use restrictions and open-space designation to maintain the status quo as to valuable open space. Moreover, the proposed action is also exempt from CEQA under State CEQA Guidelines section 15378 because it will not result in any direct or reasonably foreseeable indirect physical change in the environment and therefore is not a "project."

To the extent that this action is not exempt from CEQA under State CEQA Guidelines sections 15061(b)(3) or 15378, it is exempt under each of the following: (1) State CEQA Guidelines section 15313 (allowing an exemption for the acquisition of lands for fish and wildlife conservation purposes); (2) State CEQA Guidelines section 15317 (allowing an exemption for the acceptance of easements to maintain the open space character of the area); (3) State CEQA Guidelines section 15325 (allowing an exemption for the transfer of ownership of interest in land in order to preserve open space, habitat, or historical resources).

Thus, this action by the City is exempt from CEQA. Further, none of the exceptions to use of a categorical exemption identified in State CEQA Guidelines section 15300.2 are present. Each of the foregoing exemptions alone exempts the whole of the action.

Section 3. The City Council hereby approves and accepts the Conservation Easement, with such revisions as might be deemed necessary and approved by the City Manager and City Attorney.

Section 4. The City Manager or his designee is hereby authorized to execute one or more certificates of acceptance and to execute such other documents as might be necessary to carry out the acceptance approved herein, subject to any further revision to the Conservation Easement as might be deemed necessary and approved by the City Manager and City Attorney.

Section 5. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions, as well as cause a Notice of Exemption to be published.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

ATTEST:

\_\_\_\_\_  
City Clerk of the City of  
San Clemente, California

\_\_\_\_\_  
Mayor of the City of San  
Clemente, California

STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) §  
CITY OF SAN CLEMENTE )

I, JOANNE BAADE, City Clerk of the City of San Clemente, California, do hereby certify that Resolution No. \_\_\_\_\_ was adopted at a regular meeting of the City Council of the City of San Clemente held on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by the following vote:

AYES:

NOES:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of San Clemente, California, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
CITY CLERK of the City of  
San Clemente, California

Approved as to form:

\_\_\_\_\_  
City Attorney

55452.01501\31286943.2



**First American Title Insurance Company  
National Commercial Services**

**3281 E Guasti Road, Suite 440  
Ontario, CA 91761**

July 03, 2018

Natalie Wright  
Best Best & Krieger, LLP  
18101 Van Karman Avenue, Suite 1000  
Irvine, CA 92612-0164  
Phone: (949)263-6583

Fax:

Customer Reference: Marblehead CE

Title Officer: Matthew Hooks  
Phone: (909)510-6207  
Fax No.: (877)461-2090  
E-Mail: mhooks@firstam.com

Buyer: Marblehead Community Association

Property: Vacant Land, San Clemente, CA

**PRELIMINARY REPORT**

In response to the above referenced application for a policy of title Insurance, this company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Exhibit A attached. *The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties.* Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit A. Copies of the policy forms should be read. They are available from the office which issued this report.

**Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.**

*First American Title Insurance Company*

**It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.**

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.



Dated as of June 21, 2018 at 7:30 A.M.

The form of Policy of title insurance contemplated by this report is:

To Be Determined

A specific request should be made if another form or additional coverage is desired.

Title to said estate or interest at the date hereof is vested in:

Marblehead Community Association, a California nonprofit mutual benefit corporation

The estate or interest in the land hereinafter described or referred to covered by this Report is:

Fee Simple as to Parcel 1 of Parcel A, Parcels B, C, D, E, F and G, an easement as to Parcel 2 of Parcel A.

The Land referred to herein is described as follows:

(See attached Legal Description)

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:

1. General and special taxes and assessments for the fiscal year 2018-2019, a lien not yet due or payable.
2. General and special taxes and assessments for the fiscal year 2017-2018 are exempt. If the exempt status is terminated an additional tax may be levied. A.P. No(s): 679-041-02, 679-151-02, 679-151-05, 679-151-06, 679-151-07, 679-151-08, 679-151-11, 679-151-22, 679-151-23, 679-152-04, 679-211-40, 679-211-41, 679-231-42.
3. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.

**The Following Matters Affect Parcels A and B:**

4. An easement for electric lines and incidental purposes, recorded January 03, 1918 in Book 317 of Deeds, Page 64.  
In Favor of: San Diego Consolidated Gas and Electric Company, a corporation  
Affects: Parcels 6, 7, 9, 11 and 12
5. A 30-Foot Right of Way across said land as reserved in the Deed from Title Insurance and Trust Company to Hellman Commercial Trust and Savings Bank, Recorded September 12, 1925 in Book 606, Page 48 of Deeds.

Said Deed Recites, Among Other Things, That Said Right of Way Is Generally Described As Commencing at a Point in the Southerly Line of the 4200 Acre Tract Described in Above Mentioned Deed; Thence in a Southerly Direction to the Present Road now Existing in the Segundo Deshecha

Canada; Thence Following Said Present Road Down Said Canada to the Main Highway or Boulevard near the Sea.

6. An easement for electric transmission pole line and incidental purposes, recorded October 26, 1928 in Book 209, Page 334 of Official Records.  
In Favor of: San Diego Consolidated Gas and Electric Company  
Affects: A Portion of Parcel 1
7. A waiver of any claims for damages to said land by reason of the location, construction, landscaping or maintenance of a Highway and/or Freeway contiguous thereto, in Favor of the State of California, as contained in the Instrument Recorded in Book 310, Page 297, Official Records.
8. The Privilege and Right to Extend and Maintain Drainage Structures, 3/4 to 1 Excavation Slopes, and 1-1/2 to 1 Embankment Slopes on Said Land Adjacent to State Highway, as Granted to the State of California, by Deed Recorded September 14, 1929 in Book 310, Page 297 of Official Records.
9. An easement for pole lines and wires and incidental purposes, recorded July 02, 1947 in Book 1529, Page 474 of Official Records.  
In Favor of: San Diego Gas and Electric Company, a corporation  
Affects: as described therein
10. An easement for underground pipe line and incidental purposes, recorded March 28, 1950 in Book 1990, Page 540 of Official Records.  
In Favor of: City of San Clemente  
Affects: as described therein
11. An easement for ingress and egress and incidental purposes, recorded March 28, 1950 in Book 1990, Page 540 of Official Records.  
In Favor of: City of San Clemente  
Affects: as described therein
12. An easement for pole lines and incidental purposes, recorded July 12, 1950 in Book 2040, Page 282 of Official Records.  
In Favor of: San Diego Gas and Electric Company, a corporation  
Affects: as described therein
13. An easement for water transmission pipe lines and incidental purposes, recorded December 06, 1957 in Book 4127, Page 488 of Official Records.  
In Favor of: The County of San Diego  
Affects: as described therein
14. Abutter's rights of ingress and egress to or from highway and/or freeway have been relinquished in the document recorded December 06, 1957 in Book 4127, Page 488 of Official Records.

15. An easement for water pipe lines and necessary appurtenances and incidental purposes, recorded December 06, 1960 in Book 5537, Page 216 of Official Records.  
In Favor of: Tri-Cities Municipal Water District  
Affects: The Northeasterly 25 feet of Parcels 8, 9, 10 and 11
- By Easement Deed recorded December 12, 1960 in Book 5545, Page 360, Official records, Tri-Cities Municipal Water District Granted to The City of San Clemente an Easement for Water Lines over and under said 25 Foot Strip of Land.
16. An easement for road and utility and incidental purposes, recorded January 14, 1965 in Book 7379, Page 458 of Official Records.  
In Favor of: Saint Andrew's by the Sea Methodist Church  
Affects: A 54-Foot Strip of Land In Parcels 1 and 5
17. An easement for construct and maintain underground telephone, telegraph and communication structures and incidental purposes, recorded February 19, 1965 in Book 7420, Page 846 of Official Records.  
In Favor of: The Pacific Telephone and Telegraph Company  
Affects: The Northeasterly 5 Feet of Parcels 8, 9, 10 and 11
18. An easement for public street and storm drain channel and incidental purposes, recorded January 30, 1967 in Book 8165, Page 331 of Official Records.  
In Favor of: The City of San Clemente  
Affects: A Portion of Parcel 5
19. An easement for pole lines and incidental purposes, recorded November 06, 1967 in Book 8427, Page 208 of Official Records.  
In Favor of: San Diego Gas and Electric Company, a corporation  
Affects: Portions of Parcel 13
20. An easement for slope and drainage and incidental purposes, recorded March 04, 1968 in Book 8533, Page 861 of Official Records.  
In Favor of: The County of Orange  
Affects: The Southeasterly Portion of Parcel 5
21. An easement for underground facilities and incidental purposes, recorded February 23, 1967 in Book 8182, Page 622 of Official Records.  
In Favor of: San Diego Gas and Electric Company, a corporation  
Affects: as described therein
22. An easement for utility and incidental purposes, recorded July 28, 1969 in Book 9031, Page 696 of Official Records.  
In Favor of: The State of California  
Affects: A Portion of Parcel 11

23. Abutter's rights of ingress and egress to or from highway and/or freeway have been relinquished in the document recorded July 29, 1969 in Book 9033, Page 42 of Official Records.
24. An easement for roadway and public utility and incidental purposes, recorded April 15, 1971 in Book 9607, Page 261 of Official Records.  
In Favor of: Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-Day Saints, a Utah corporation  
Affects: A 60-Foot Strip of Land within Parcels 11 and 12 for the Extension of Camino San Clemente
25. An easement for sewer and incidental purposes, recorded September 26, 1977 in Book 12391, Page 1022 of Official Records.  
In Favor of: The City of San Clemente  
Affects: A Portion of the Southerly Part of Parcels 1 Through 4
26. An easement for underground telephone, telegraph and communication systems and incidental purposes, recorded March 01, 1978 in Book 12582, Page 610 of Official Records.  
In Favor of: The Pacific Telephone and Telegraph Company  
Affects: A Portion of Parcels 1 to 5 inclusive more particularly described therein
27. An easement for the construction of excavation and/or embankment slopes, where necessary for the construction of the route 5 freeway and incidental purposes, recorded February 13, 1979 in Book 13031, Page 1361 of Official Records.  
In Favor of: The State of California  
Affects: That Portion of the Rancho Boca De La Playa, as Shown on a Map recorded in Book 4, Pages 118 and 119 of Patents, in the office of the County Recorder of Los Angeles County
28. An easement for underground facilities and incidental purposes, recorded June 15, 1981 in Book 14101, Page 198 of Official Records.  
In Favor of: San Diego Gas and Electric Company, a corporation  
Affects: as described therein
29. An easement for flood plain easement and incidental purposes, recorded June 22, 1987 as Instrument No. 87-351906 of Official Records.  
In Favor of: Orange County Flood Control District, a Body corporate and Politic  
Affects: as described therein
30. An easement for underground facilities and communication facilities for the transmission and distribution of electricity and incidental purposes, recorded April 23, 1993 as Instrument No. 93-0273269 of Official Records.  
In Favor of: San Diego Gas and Electric Company, a corporation  
Affects: as described therein

31. An easement for roadway and public utility and incidental purposes, recorded September 26, 2000 as Instrument No. 20000506502 of Official Records.  
In Favor of: The City of San Clemente, a municipal corporation  
Affects: as described therein
  
32. The terms and provisions contained in the document entitled "Agreement Providing For Exemption of Land from Water Standby Charge" recorded August 25, 2004 as Instrument No. 2004000772899 of Official Records. The Metropolitan Water District of Southern California (Metropolitan), a Public Agency and Quasi-Municipal Corporation of the State of California, Organized and Existing under the Metropolitan Water District Act of the State of California (Stats. 1969, Ch. 209, as Amended and Supplemented), and Marblehead Community Association

**The Following Matters Affect Parcel B:**

33. The property covered herein lies within the Boundaries of Assessment District no. 85-1, City of San Clemente Wastewater Treatment Facility, as disclosed by an Assessment District map Filed in Book 29, Page 1 of Assessment Maps, recorded April 10, 1986 as Instrument No. 86-143251 of Official records.  
  
And as Disclosed by an Assessment District Map filed in Book 35, page 43 of Assessment Maps, as Instrument No. 87-466644 of Official Records.  
  
And as Disclosed by an Assessment District Map filed in Book 36, Page 37 of assessment Maps, as Instrument No. 87-466645 of Official Records.  
  
And as Disclosed by an Assessment District Map filed in Book 36, Page 40 of assessment Maps, as Instrument No. 87-466646 of Official Records.  
  
And as Disclosed by an Assessment District Map filed in Book 44, Page 34 of assessment Maps, as Instrument No. 88-484160 of Official Records.  
  
The effect of a document entitled "Notice of Assessment", recorded April 10, 1986 as Instrument No. 86-143253 of Official Records.
  
34. An easement for electric transmission pole line and incidental purposes, recorded October 26, 1928 in Book 209, Page 334 of Official Records.  
In Favor of: San Diego Consolidated Gas and Electric Company  
Affects: A Portion of Lot 126 of Tract No. 10881
  
35. Covenants, conditions, restrictions and easements in the document recorded January 15, 1982 as Instrument No. 82-016500 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Section 12955 of the California Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.  
  
The terms and provisions contained in the document entitled "Supplementary Declaration of Covenants, Condition and Restrictions of the Marblehead Community Association" recorded November 27, 1991 as Instrument No. 91-656691 of Official Records.

36. An easement for maintenance, replacement and repair of the landscaping and irrigation and incidental purposes, recorded November 10, 1995 as Instrument No. 19950503011 of Official Records.  
In Favor of: Signal Pointe Association, a California Non-Profit mutual benefit corporation  
Affects: as described therein
37. An easement for maintenance, repair and replacement of the pedestrian walkway, including paving, gutter, catch basins, lighting and benches and incidental purposes, recorded November 10, 1995 as Instrument No. 19950503012 of Official Records.  
In Favor of: Highland Light Gate and Maintenance Association, a California Non-Profit Mutual Benefit Corporation  
Affects: as described therein
38. The terms and provisions contained in the document entitled "Agreement Providing for Exemption of Land from Water Standby Charge" recorded August 25, 2004 as Instrument No. 2004000772899 of Official Records. The Metropolitan Water District of Southern California (Metropolitan), a Public Agency and Quasi-Municipal Corporation of the State of California, Organized and Existing under the Metropolitan Water District Act of the State of California (Stats. 1969, Ch. 209, as Amended and Supplemented), and Marblehead Community Association

**The Following Matters Affect Parcel C:**

39. The Property Covered herein lies within the Boundaries of Assessment District No. 85-1, City of San Clemente Wastewater Treatment Facility, as disclosed by an Assessment District Map Filed in Book 29, Page 1 of Assessment Maps, Recorded April 10, 1986 as Instrument No. 86-143251 of Official Records.
- And as Disclosed by an Assessment District Map Filed in Book 35, Page 43 of Assessment Maps, as Instrument No. 87-466644 of Official Records.
- And as Disclosed by an Assessment district Map Filed in Book 36, Page 37 of Assessment Maps, as Instrument No. 87-466645 of Official Records.
- And as Disclosed by an Assessment District Map Filed in Book 36, Page 40 of Assessment Maps, as Instrument No. 87-466646 of Official Records.
- And as Disclosed by an Assessment District Map Filed in Book 44, Page 34 of Assessment Maps, as Instrument No. 88-484160 of Official Records.
- And as Disclosed by an Assessment District Map Filed in Book 48, Page 48 of Assessment Maps, as Instrument No. 90-058629 of Official Records.
- And as Disclosed by an Assessment District Map Filed in Book 55, Page 38 of Assessment Maps, as Instrument No. 91-094370 of Official Records.
- And as Disclosed by an Assessment District Map Filed in Book 55, Page 39 of Assessment Maps, as Instrument No. 91-094372 of Official Records.
- And as Disclosed by an Assessment District Map Filed in Book 58, Page 32 of Assessment Maps, as Instrument No. 92-335711 of Official Records.
- And as disclosed by an Assessment District Map Filed in Book 58, Page 31 of Assessment Maps, as Instrument No. 92-335712 of Official Records.

And as Disclosed by an Assessment District Map Filed in Book 63, Pages 1 to 86 Inclusive of Assessment Maps, as Instrument No. 92-0555775 of Official Records.

The effect of a document entitled "The Effect of An Instrument Entitled Notice of Assessment", recorded April 10, 1986 as Instrument No. 86-143253 of Official Records.

40. The Property Covered herein lies within the Boundaries of Pending Assessment District No. 95-1, City of San Clemente Street Overlay and Replacement District, as Disclosed by an Assessment District Map filed in Book 70, Page 1 of Assessment Maps, Recorded July 26, 1995 as Instrument No. 95-0318247 of Official Records.

An Instrument Entitled "Notice of Assessment" Recorded July 26, 1995 as Instrument No. 95-0318248 of Official Records; reference being made to the Record thereof for full Particulars.

41. A 30-Foot Right-of-Way Across said Land, as Reserved in the Deed from Title Insurance and Trust Company to Hellman Commercial Trust and Savings Bank, Recorded September 12, 1925 in Book 606, Page 48 of Deeds.
42. An easement for public street, storm drain channel land and incidental purposes, recorded January 30, 1967 in Book 8165, Page 331 of Official Records.  
In Favor of: City of San Clemente  
Affects: as described therein

The location of the easement cannot be determined from record information.

43. The Effect of Any Notice Given by The Recital on the Assessor's Map Book 679, Page 15, Parcel 6 Which Says; "Flood Plain Easement".
44. Covenants, conditions, restrictions and easements in the document recorded January 15, 1982 as Instrument No. 82-016500 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Section 12955 of the California Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

The terms and provisions contained in the document entitled "Supplementary Declaration of Covenants, Condition and Restrictions of the Master Association" recorded November 03, 1995 as Instrument No. 19950491940 of Official Records.

**The Following Matters Affect Parcel D:**

45. The Property Covered Herein Lies within the Boundaries of Assessment District No. 85-1, City of San Clemente Wastewater Treatment Facility, as Disclosed by an Assessment District Map Filed in Book 29, Page 1 of Assessment Maps, Recorded April 10, 1986 as Instrument No. 86-143251 of Official Records.

Note 1: The Effect of an Instrument Entitled "Notice of Assessment" Recorded April 10, 1986 as Instrument No. 86-143253 of Official Records; Reference being hereby made to the Record thereof for full Particulars.

Note 2: An Instrument Entitled "Addendum to Notice of Assessment" Recorded August 18, 1988 as Instrument No. 88-410358 of Official Records; reference being made to the record thereof for full Particulars.

Note 3: An Instrument Entitled "Addendum to Notice of Assessment" Recorded June 26, 1989 as Instrument No. 89-334994 of Official Records; reference being made to the record thereof for full Particulars.

46. The Recital on the Map of Tract No. 10880 That Lot 106 Is Not a Separate Residential Building Site and is proposed to be dedicated to the Homeowners Association of Tract No. 10880.
47. An easement shown or dedicated on the map filed or recorded February 29, 1980 in Book 471, Pages 17 to 27 of Maps  
For: water line and incidental purposes.

48. Covenants, conditions, restrictions and easements in the document recorded January 15, 1982 as Instrument No. 82-016500 and Amended and Restated September 10, 1982 as Instrument No. 82-319706 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Section 12955 of the California Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

The terms and provisions contained in the document entitled "Supplementary Declaration of Covenants, Conditions and Restriction of the Marblehead Community Association (Lots 54-106 of Tract No. 10880 and the Future Phase)" recorded July 25, 1990 as Instrument No. 90-390636 of Official Records.

The terms and provisions contained in the document entitled "Supplementary Declaration of Covenants, Conditions and Restriction of the Marblehead Community Association (7-101 A-H and K of Tract No. 13907 and Lot 126 of Tract No. 10881)" recorded November 27, 1991 as Instrument No. 91-656691 of Official Records.

49. Covenants, conditions, restrictions and easements in the document recorded April 09, 1982 as Instrument No. 82-124555 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Section 12955 of the California Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.
50. Covenants, conditions, restrictions and easements in the document recorded September 27, 1982 as Instrument No. 82-338891 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Section 12955 of the California Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.



51. The Effect of a Fuel Modification Zone Over the Most Westerly 100.00 Feet of Lot 106 of Tract No. 10880, as Disclosed by an Instrument Recorded July 24, 1984 as Instrument No. 84-305103 of Official Records.
52. Covenants, conditions, restrictions and easements in the document recorded July 24, 1984 as Instrument No. 84-305102 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Section 12955 of the California Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

The terms and provisions contained in the document entitled "Supplementary Declaration of Covenants, Conditions and Restriction of Highland Light Gate and Maintenance Association Lots 82-105 of Tract no. 10880" recorded April 10, 1991 as Instrument No. 91-167910 of Official Records.

53. An easement for construct, place, operate, inspect, maintain, repair, replace and remove such (underground) cable television facilities and incidental purposes, recorded March 26, 1990 as Instrument No. 90-156101 of Official Records.
- In Favor of: Times Mirror Cable Television of Orange County, Inc., a corporation
- Affects: A Portion of Said Land

54. Covenants, conditions, restrictions and easements in the document recorded July 25, 1990 as Instrument No. 90-390638 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Section 12955 of the California Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

The terms and provisions contained in the document entitled "Notice of Annexation for the Summit (Phase 2)" recorded April 10, 1991 as Instrument No. 91-167911 of Official Records.

55. An easement for maintenance, replacement and repair of the landscaping and irrigation within the fuel modification zone and incidental purposes, recorded June 26, 1995 as Instrument No. 95-0268432 of Official Records.
- In Favor of: Summit At Highland Light Association, a California Non-Profit Mutual Benefit Corporation
- Affects: as described therein
56. An easement for maintenance, repair and replacement of the pedestrian walkway, including paving, gutter, catch basins, lighting and benches and incidental purposes, recorded June 26, 1995 as Instrument No. 95-0268433 of Official Records.
- In Favor of: Highland Light Gate and Maintenance Association, a California Non-Profit Mutual Benefit Corporation
- Affects: as described therein

57. The terms and provisions contained in the document entitled "Agreement Providing For Exemption of Land from Water Standby Charge" recorded August 25, 2004 as Instrument No. 2004000772899 of Official Records. The Metropolitan Water District of Southern California (Metropolitan), a Public Agency and Quasi-Municipal Corporation of the State of California Organized and Existing Under the Metropolitan Water District Act of the State of California (Sates. 1969, ch. 209, as Amended and Supplemented) and Marblehead Community Association

**The Following Matters Affect Parcel E:**

58. A Recital on Map of Tract No. 15093 Which states Lots "D" Through "H" are to be dedicated to the Homeowners Association for Slope and Landscaping Maintenance Purposes.
59. An easement for ingress and egress and incidental purposes, recorded March 17, 1997 as Instrument No. 19970121822 of Official Records.  
In Favor of: Signal Pointe Association, a California Non-Profit mutual benefit corporation  
Affects: as described therein

**The Following Matters Affect Parcel F:**

60. The Property covered herein lies within the Boundaries of Pending Assessment District No. 95-1, City of San Clemente Street Overlay and Replacement District, as disclosed by an Assessment District Map filed in Book 70, Page 1 of Assessment Maps, recorded July 26, 1995 as Instrument No. 95-0318247 of official records.  
  
Note: An Instrument entitled "Notice of Assessment" recorded July 26, 1995 as Instrument No. 95-0318248 of official records; reference being made to the record thereof for full particulars.
61. Any lien of special tax assessed by the City of San Clemente with regards to Assessment District No. 85-1, City of San Clemente wastewater treatment facility, as disclosed by an Instrument entitled "Notice of Assessment" recorded April 10, 1986 as Instrument No. 86-143253 of official records; reference being made to the record thereof for full particulars.
62. A 30-foot right-of-way across said land, as reserved in the Deed from Title Insurance and Trust Company to Hellman Commercial Trust and Savings Bank, recorded September 12, 1925 in Book 606, Page 48 of deeds.  
  
Note: Affects a portion of the land.
63. An easement for electric transmission pole line and incidental purposes, recorded October 26, 1928 in Book 209, Page 334 of Official Records.  
In Favor of: San Diego Consolidated Gas and Electric  
Affects: A portion of the land as more particularly described therein
64. An easement for water pipe lines, necessary appurtenances and incidental purposes, recorded December 06, 1960 in Book 5537, Page 216 of Official Records.  
In Favor of: Tri-Cities Municipal Water District  
Affects: A portion of the land as more particularly described therein

By Easement Deed recorded December 12, 1960 in Book 5545, Page 360 of official records, Tri-Cities Municipal Water District granted to The City of San Clemente, an easement for water lines, over and under said strip of land.

65. An easement for right of way and incidental purposes, recorded November 07, 1979 in Book 13385, Page 1120 of Official Records.  
In Favor of: The Pacific Telephone and Telegraph Company  
Affects: as described therein

66. Covenants, conditions, restrictions and easements in the document recorded January 15, 1982 as Instrument No. 82-016500 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Section 12955 of the California Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

The terms and provisions contained in the document entitled ""Amended and Restated Supplementary Declaration of Covenants, Conditions and Restrictions of the Marblehead Community Association (Phase 16) (Crest Phase 6)"" recorded July 23, 1997 as Instrument No. 19970347792 of Official Records.

The terms and provisions contained in the document entitled "Second Amended and Restated Supplementary Declaration of Covenants, Conditions and Restrictions of the Marblehead Community Association (Phase 16) (Crest Phase 6) (Lots 33-35 of Tract 13054; Lot 1 of Tract 15093; Parcels 7 & 8 of Lot Line Adjustment LL 95-41; Parcel 3 of Lot Line Adjustment No. LL 96-53 (Open Space Lot))"" recorded February 06, 1998 as Instrument No. 19980068055 of Official Records.

67. Easements, Covenants and Conditions contained in the deed from Marblehead, L.P., a California Limited Partnership, as Grantor, to The City of San Clemente, a California municipal corporation, as Grantee, recorded February 02, 1998 as Instrument No. 19980055942 of Official Records. Reference being made to the document for full particulars.
68. The terms, provisions and easement(s) contained in the document entitled "Grant of Easement for Marblehead Property" recorded February 06, 1998 as Instrument No. 19980067472 of Official Records.

The terms and provisions contained in the document entitled "Agreement for Clarification of Grant of Easement for Marblehead Property" recorded June 26, 2006 as Instrument No. 2006000425783 of Official Records.

69. An easement for public street and road purposes, public utilities, wires, cables, conduits, storm sewers, sanitary sewers and water pipe lines and incidental purposes, recorded November 10, 1997 as Instrument No. 19970571117 of Official Records.  
In Favor of: the City of San Clemente, a political subdivision of the State of California  
Affects: as described therein

Document re-recorded December 12, 1997 as Instrument No. 19970640057 of Official Records.

70. The terms and provisions contained in the document entitled "Agreement Providing for Exemption of Land from Water Standby Charge" recorded August 25, 2004 as Instrument No. 2004000772899 of Official Records. The Metropolitan Water District of Southern California (Metropolitan), a Public Agency and Quasi-Municipal Corporation of the State of California, Organized and Existing under the Metropolitan Water District Act of the State of California (Stats. 1969, Ch. 209, as Amended and Supplemented), and Marblehead Community Association
71. An easement for vehicular ingress and egress and incidental purposes, recorded August 22, 2008 as Instrument No. 2008000400786 of Official Records.  
In Favor of: Orange County Flood Control District, a body corporate and politic  
Affects: as described therein

**The Following Matters Affect Parcel G:**

72. Records on Map of Tract No. 13059, which State the following:  
1. Lots "A" Through "K" are not separate building sites.  
2. Lots "D" Through "K" are to be dedicated to the Homeowners Association for slope and landscape maintenance purposes. Except that the meandering sidewalk adjacent to Avenida Vista Hermosa on Lots "D" and "E" is to be maintained by the City of San Clemente.
73. An easement for underground electric and for the communication facilities and incidental purposes, recorded October 24, 1995 as Instrument No. 19950472417 of Official Records.  
In Favor of: San Diego Gas and Electric Company, a corporation  
Affects: as described therein
74. An easement for maintenance, repair, and replacement of the landscaping and irrigation systems within the fuel modification zone and incidental purposes, recorded August 20, 1996 as Instrument No. 19960426846 of Official Records.  
In Favor of: Signal Pointe Association, a California non-profit mutual benefit corporation, a non-exclusive  
Affects: as described therein
75. An easement for Place, operate, inspect, repair, replace and underground communication facilities and incidental purposes, recorded November 15, 1996 as Instrument No. 19960577615 of Official Records.  
In Favor of: Pacific Bell  
Affects: as described therein

**The Following Matters Affect All Parcels:**

76. Water rights, claims or title to water, whether or not shown by the public records.
77. Any facts, rights, interests or claims which would be disclosed by a correct ALTA/NSPS survey.
78. Rights of parties in possession.

<b>INFORMATIONAL NOTES</b>
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**ALERT - CA Senate Bill 2 imposes an additional fee of \$75 up to \$225 at the time of recording on certain transactions effective January 1, 2018. Please contact your First American Title representative for more information on how this may affect your closing.**

1. General and special taxes and assessments for the fiscal year 2017-2018.
 

First Installment:	\$113.62, PAID
Penalty:	\$0.00
Second Installment:	\$113.62, PAID
Penalty:	\$0.00
Tax Rate Area:	10-000
A. P. No.:	679-151-17
  
2. General and special taxes and assessments for the fiscal year 2017-2018.
 

First Installment:	\$49.06, PAID
Penalty:	\$0.00
Second Installment:	\$49.06, PAID
Penalty:	\$0.00
Tax Rate Area:	10-003
A. P. No.:	679-151-26
  
3. The property covered by this report is vacant land.
  
4. According to the public records, there has been no conveyance of the land within a period of twenty-four months prior to the date of this report, except as follows:
 

None
  
5. This preliminary report/commitment was prepared based upon an application for a policy of title insurance that identified land by street address or assessor's parcel number only. It is the responsibility of the applicant to determine whether the land referred to herein is in fact the land that is to be described in the policy or policies to be issued.
  
6. Should this report be used to facilitate your transaction, we must be provided with the following prior to the issuance of the policy:
  - A. WITH RESPECT TO A CORPORATION:
    1. A certificate of good standing of recent date issued by the Secretary of State of the corporation's state of domicile.
    2. A certificate copy of a resolution of the Board of Directors authorizing the contemplated transaction and designating which corporate officers shall have the power to execute on behalf of the corporation.
    3. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
    4. Requirements which the Company may impose following its review of the above material and other information which the Company may require.
  - B. WITH RESPECT TO A CALIFORNIA LIMITED PARTNERSHIP:
    1. A certified copy of the certificate of limited partnership (form LP-1) and any amendments thereto (form LP-2) to be recorded in the public records;
    2. A full copy of the partnership agreement and any amendments;

3. Satisfactory evidence of the consent of a majority in interest of the limited partners to the contemplated transaction;
4. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
5. Requirements which the Company may impose following its review of the above material and other information which the Company may require.

C. WITH RESPECT TO A FOREIGN LIMITED PARTNERSHIP:

1. A certified copy of the application for registration, foreign limited partnership (form LP-5) and any amendments thereto (form LP-6) to be recorded in the public records;
2. A full copy of the partnership agreement and any amendment;
3. Satisfactory evidence of the consent of a majority in interest of the limited partners to the contemplated transaction;
4. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
5. Requirements which the Company may impose following its review of the above material and other information which the Company may require.

D. WITH RESPECT TO A GENERAL PARTNERSHIP:

1. A certified copy of a statement of partnership authority pursuant to Section 16303 of the California Corporation Code (form GP-I), executed by at least two partners, and a certified copy of any amendments to such statement (form GP-7), to be recorded in the public records;
2. A full copy of the partnership agreement and any amendments;
3. Requirements which the Company may impose following its review of the above material required herein and other information which the Company may require.

E. WITH RESPECT TO A LIMITED LIABILITY COMPANY:

1. A copy of its operating agreement and any amendments thereto;
2. If it is a California limited liability company, a certified copy of its articles of organization (LLC-1) and any certificate of correction (LLC-11), certificate of amendment (LLC-2), or restatement of articles of organization (LLC-10) to be recorded in the public records;
3. If it is a foreign limited liability company, a certified copy of its application for registration (LLC-5) to be recorded in the public records;
4. With respect to any deed, deed of trust, lease, subordination agreement or other document or instrument executed by such limited liability company and presented for recordation by the Company or upon which the Company is asked to rely, such document or instrument must be executed in accordance with one of the following, as appropriate:
  - (i) If the limited liability company properly operates through officers appointed or elected pursuant to the terms of a written operating agreement, such documents must be executed by at least two duly elected or appointed officers, as follows: the chairman of the board, the president or any vice president, and any secretary, assistant secretary, the chief financial officer or any assistant treasurer;
  - (ii) If the limited liability company properly operates through a manager or managers identified in the articles of organization and/or duly elected pursuant to the terms of a written operating agreement, such document must be executed by at least two such managers or by one manager if the limited liability company properly operates with the existence of only one manager.
5. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
6. Requirements which the Company may impose following its review of the above material and other information which the Company may require.

F. WITH RESPECT TO A TRUST:

1. A certification pursuant to Section 18100.5 of the California Probate Code in a form satisfactory to the Company.
2. Copies of those excerpts from the original trust documents and amendments thereto which designate the trustee and confer upon the trustee the power to act in the pending transaction.
3. Other requirements which the Company may impose following its review of the material require

herein and other information which the Company may require.

G. WITH RESPECT TO INDIVIDUALS:

1. A statement of information.

The map attached, if any, may or may not be a survey of the land depicted hereon. First American Title Insurance Company expressly disclaims any liability for loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provisions of the title insurance policy, if any, to which this map is attached.

***\*\*\*\*\*To obtain wire instructions for deposit of funds to your escrow file please contact your Escrow Officer.\*\*\*\*\****

**LEGAL DESCRIPTION**

Real property in the City of San Clemente, County of Orange, State of California, described as follows:

PARCEL A:

PARCEL 1:

LOT 2 OF TRACT 10686, AS SHOWN ON A MAP FILED ON FEBRUARY 29, 1980 IN BOOK 470, PAGES 31 TO 40, INCLUSIVE, OF MISCELLANEOUS MAPS IN THE OFFICE OF THE COUNTY RECORDER OF ORANGE COUNTY, CALIFORNIA.

PARCEL 2:

EASEMENTS AS SET FORTH IN THE SECTIONS ENTITLED "CERTAIN EASEMENTS FOR ASSOCIATION" AND "SUPPORT, SETTLEMENT AND ENCROACHMENT" OF THE ARTICLE ENTITLED "EASEMENTS" OF THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS RECORDED JANUARY 15, 1982 AS INSTRUMENT NO. 82-015500, OF OFFICIAL RECORDS.

TOGETHER WITH THE RIGHT TO GRANT AND TRANSFER ALL OR A PORTION OF THE SAME, EXCEPT AS GRANTED HEREBY, EASEMENTS AND RIGHTS INCLUDING WITHOUT LIMITATION, OIL, GAS AND MINERAL RIGHTS AND EASEMENTS FOR A COMMUNITY ANTENNA TELEVISION SYSTEM AND FOR CONSTRUCTION, DISPLAY, MAINTENANCE, SALES AND EXHIBIT PURPOSES. AS PROVIDED IN THE DECLARATION, THE RESERVATION FOR OIL, GAS AND MINERAL RIGHTS SHALL NOT RESERVE FOR THE BENEFIT OF GRANTOR ANY RIGHT TO ENTER UPON THE SURFACE OF THE PROPERTY CONVEYED HEREBY IN THE EXERCISE OF SUCH RIGHTS.

APN: 679-041-02

PARCEL B:

PARCEL 6 AS SHOWN ON MERGER OF CONTIGUOUS PARCELS MERGER 94-21 RECORDED JUNE 30, 1994 AS INSTRUMENT NO. 94-0432573, OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF LOT 126 AND AVENIDA FACETA AS SHOWN ON A MAP OF TRACT NO. 10881 FILED IN BOOK 471, PAGES 17 THROUGH 27 OF MISCELLANEOUS MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID LOT 94; THENCE ALONG THE NORTHWESTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF SAID LOT NORTH 62°00'00" WEST 18.34 FEET TO THE EASTERLY BOUNDARY LINE OF TRACT NO. 13907 AS SHOWN ON A MAP THEREOF FILED IN BOOK 681, PAGES 1 THROUGH 9 OF MISCELLANEOUS MAPS IN SAID OFFICE OF THE ORANGE COUNTY RECORDER; THENCE ALONG SAID EASTERLY BOUNDARY LINE NORTH 28°00'00" EAST 76.05 FEET TO AN ANGLE POINT THEREIN; THENCE CONTINUING ALONG SAID EASTERLY BOUNDARY LINE THROUGH THE FOLLOWING COURSES:

NORTH 34°10'00" EAST 67.80 FEET; THENCE NORTH 59°35'00" EAST 60.96 FEET; THENCE NORTH 62°02'15" EAST 194.00 FEET TO AN ANGLE POINT IN THE SOUTHERLY BOUNDARY LINE OF TRACT NO. 13054 AS SHOWN ON A MAP THEREOF FILED IN BOOK 680, PAGES 39 THROUGH 47 OF MISCELLANEOUS MAPS IN SAID OFFICE OF THE ORANGE COUNTY RECORDER; THENCE LEAVING SAID EASTERLY BOUNDARY LINE OF TRACT NO. 13907, ALONG SAID SOUTHERLY BOUNDARY LINE OF TRACT NO. 13054 NORTH 68°10'00" EAST 56.21 FEET AND NORTH 71°48'00" EAST 46.68 FEET TO THE NORTHERLY BOUNDARY LINE OF SAID LOT 126; THENCE ALONG SAID NORTHERLY BOUNDARY LINE SOUTH 83°06'00" EAST 228.90 FEET TO AN ANGLE POINT THEREIN; THENCE CONTINUING ALONG



SAID BOUNDARY LINE THROUGH THE FOLLOWING COURSES: NORTH 63°06'00" EAST 460.00 FEET; THENCE SOUTH 44°02'00" EAST 420.00 FEET; THENCE NORTH 75°03'00" EAST 364.00 FEET; THENCE NORTH 32°55'00" EAST 331.00 FEET; THENCE NORTH 47°11'00" WEST 130.00 FEET; THENCE NORTH 65°30'00" WEST 521.00 FEET; THENCE NORTH 04°22'00" WEST 118.00 FEET; THENCE SOUTH 85°56'54" EAST 1281.74 FEET; THENCE SOUTH 23°00'00" WEST 750.19 FEET; THENCE SOUTH 31°00'00" EAST 328.01 FEET; THENCE SOUTH 80°00'00" WEST 1212.01 FEET; THENCE NORTH 10°00'00" WEST 300.00 FEET; THENCE SOUTH 80°00'00" WEST 518.00 FEET; THENCE NORTH 74°10'13" WEST 646.01 FEET; THENCE SOUTH 28°00'00" WEST 80.00 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL OIL, MINERALS, NATURAL GAS, OTHER HYDROCARBONS AND GEOTHERMAL RESOURCES WITHIN THE LAND, TOGETHER WITH THE RIGHT TO DRILL, MINE AND EXPLORE FOR, AND REMOVE, THE SAME, INCLUDING THE RIGHT TO DIRECTIONALLY DRILL OR MINE FROM OTHER LANDS, AND TO BOTTOM SUCH WELLS BEYOND THE EXTERIOR LIMITS THEREOF, WITHOUT, HOWEVER, ANY RIGHT TO USE THE SURFACE OR THE UPPER 500 FEET OF THE SUBSURFACE OF THE LAND.

APN(S): 679-151-02, 679-151-08 AND 679-151-17

PARCEL C:

PARCEL 1 OF CERTIFICATE OF COMPLIANCE NO. LL 96-33 RECORDED AUGUST 15, 1996 AS INSTRUMENT NO. 1996 0419778, OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

THAT CERTAIN PARCEL OF LAND SITUATED IN THE CITY OF SAN CLEMENTE, COUNTY OF ORANGE, STATE OF CALIFORNIA, BEING THAT PORTION OF FRACTIONAL SECTION 28, TOWNSHIP 8 SOUTH, RANGE 7 WEST, SAN BERNARDINO MERIDIAN ACCORDING TO THE OFFICIAL PLAT OF SAID LAND FILED IN THE DISTRICT LAND OFFICE DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF THE PARCEL OF LAND DESIGNATED AS "HOWARD KRUM 792.741 ACRES" ON A MAP FILED IN BOOK 11, PAGE 29 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY; THENCE ALONG THE SOUTHEASTERLY BOUNDARY LINE OF SAID KRUM PARCEL SOUTH 22°13'49" WEST 1462.46 FEET TO THE NORTHEASTERLY LINE OF THE SAN CLEMENTE CITY LIMITS AS SHOWN ON SAID RECORD OF SURVEY AND THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID SOUTHEASTERLY BOUNDARY LINE THROUGH THE FOLLOWING COURSES: SOUTH 22°13'49" WEST 662.55 FEET; THENCE SOUTH 85°06'23" WEST 536.52 FEET; THENCE SOUTH 21°50'01" WEST 1060.96 FEET; THENCE SOUTH 46°00'18" WEST 107.50 FEET TO THE EASTERLY LINE OF TRACT NO. 10686 AS SHOWN ON A MAP FILED IN BOOK 470, PAGES 31 THROUGH 40 OF MISCELLANEOUS MAPS IN SAID OFFICE OF THE ORANGE COUNTY RECORDER; THENCE LEAVING SAID SOUTHEASTERLY BOUNDARY LINE, ALONG SAID EASTERLY LINE THROUGH THE FOLLOWING COURSES:

NORTH 43°59'42" WEST 67.34 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 390.00 FEET; THENCE ALONG SAID CURVE NORTHWESTERLY AND NORTHERLY 462.83 FEET THROUGH A CENTRAL ANGLE OF 67°59'42" TO A POINT OF REVERSE CURVATURE WITH A CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 670.00 FEET, A RADIAL LINE OF SAID CURVE FROM SAID POINT BEARS NORTH 66°00'00" WEST; THENCE ALONG SAID CURVE NORTHERLY 374.20 FEET THROUGH A CENTRAL ANGLE OF 32°00'00"; THENCE TANGENT FROM SAID CURVE NORTH 08°00'00" WEST 660.00 FEET; THENCE NORTH 80°00'00" EAST 850.00 FEET; THENCE NORTH 25°00'00" EAST 499.41 FEET TO SAID NORTHEASTERLY LINE OF THE SAN CLEMENTE CITY LIMITS; THENCE LEAVING SAID EASTERLY LINE, ALONG SAID NORTHEASTERLY LINE SOUTH 44°28'05" EAST 530.96 FEET TO THE TRUE POINT OF BEGINNING.

APN: 679-151-05

PARCEL D:

PARCEL 2 OF LOT LINE ADJUSTMENT LL 93-65 RECORDED MARCH 28, 2007 AS INSTRUMENT NO. 2007000 197987, OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

THAT CERTAIN PARCEL OF LAND SITUATED IN THE CITY SAN CLEMENTE, COUNTY OF ORANGE, STATE OF CALIFORNIA, BEING PARCEL 3 OF LOT LINE ADJUSTMENT LL 92-89 RECORDED SEPTEMBER 28, 1992 AS INSTRUMENT NO. 92-651131 OF OFFICIAL RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY.

EXCEPTING THEREFROM THAT PORTION OF SAID PARCEL 3, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF PARCEL 3 OF LOT LINE ADJUSTMENT LL 89-174 RECORDED JANUARY 16, 1990 AS INSTRUMENT NO. 90-025280 OF OFFICIAL RECORDS IN SAID OFFICE OF THE ORANGE COUNTY RECORDER; THENCE ALONG THE BOUNDARY LINES OF LAST SAID PARCEL THROUGH THE FOLLOWING COURSES: NORTH 83°29'00" EAST 83.91 FEET; THENCE NORTH 37°34'00" EAST 46.96 FEET; THENCE NORTH 40°02'30" WEST 22.83 FEET; THENCE NORTH 49°29'00" WEST 164.83 FEET; THENCE LEAVING SAID BOUNDARY LINE ALONG THE NORTHEASTERLY PROLONGATION OF NORTHWESTERLY LINE OF SAID PARCEL NORTH 57°00'00" EAST 1.94 FEET; THENCE SOUTH 52°15'00" EAST 19.65 FEET; THENCE SOUTH 53°05'00" EAST 82.50 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 340.00 FEET; THENCE ALONG SAID CURVE SOUTHEASTERLY 92.21 FEET THROUGH A CENTRAL ANGLE OF 15°32'19" TO A POINT OF COMPOUND CURVATURE WITH A CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 27.00 FEET, A RADIAL LINE OF SAID CURVES FROM SAID POINT BEARS SOUTH 52°27'19" WEST; THENCE ALONG SAID CURVE SOUTHERLY 26.34 FEET THROUGH A CENTRAL ANGLE OF 55°53'18" TO A POINT OF COMPOUND CURVATURE WITH A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 14.00 FEET, A RADIAL LINE OF SAID CURVES FROM SAID POINT BEARS NORTH 71°39'23" WEST; THENCE ALONG SAID CURVE SOUTHWESTERLY 14.82 FEET THROUGH A CENTRAL ANGLE OF 60°39'23"; THENCE TANGENT FROM SAID CURVE SOUTH 79°00'00" WEST 35.27 FEET; THENCE SOUTH 82°35'00" WEST 49.91 FEET; THENCE SOUTH 80°05'00" WEST 26.54 FEET TO THE SOUTHEASTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF SAID PARCEL; THENCE ALONG SAID PROLONGATION NORTH 33°00'00" WEST 7.03 FEET TO THE POINT OF BEGINNING.

APN: 679-151-11

PARCEL E:

PARCEL 5 (FORMERLY PARCEL 18 OF LLA95-43, WHICH WAS FORMERLY LOT H OF TRACT 15093) AS SHOWN ON LOT LINE ADJUSTMENT NO. LLA96-18, WHICH WAS RECORDED ON MARCH 29, 1996, AS INSTRUMENT NO. 19960156118, OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA.

EXCEPTING THEREFROM ALL OIL, MINERALS, NATURAL GAS, OTHER HYDROCARBONS AND GEOTHERMAL RESOURCES WITHIN THE LAND, TOGETHER WITH THE RIGHT TO DRILL, MINE AND EXPLORE FOR, AND REMOVE, THE SAME, INCLUDING THE RIGHT TO DIRECTIONALLY DRILL OR MINE FROM OTHER LANDS, AND TO BOTTOM SUCH WELLS BEYOND THE EXTERIOR LIMITS THEREOF, WITHOUT, HOWEVER, ANY RIGHT TO USE THE SURFACE OR THE UPPER 500 FEET OF THE SUBSURFACE OF THE LAND.

APN'S: 679-151-22, 679-151-23, 679-211-40, 679-211-41

PARCEL F:

THAT CERTAIN PARCEL OF LAND SITUATED IN THE CITY OF SAN CLEMENTE, COUNTY OF ORANGE, STATE OF CALIFORNIA, BEING A PORTION OF THE RANCHO BOCA DE LA PLAYA, AS SHOWN ON A MAP THEREOF RECORDED JUNE 29, 1887 IN BOOK 4, PAGES 118 AND 119 OF PATENTS, RECORDS OF LOS ANGELES COUNTY, CALIFORNIA, ALSO BEING ALL OF PARCEL 3 OF LOT LINE ADJUSTMENT LL-96-53 RECORDED FEBRUARY 13, 1997 AS INSTRUMENT NO. 19970066818 OF OFFICIAL RECORDS IN THE

OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY.

EXCEPTING THEREFROM THE "CONVEYANCE PARCEL" AS DESCRIBED IN THE GRANT DEED AND GRANT OF EASEMENT FOR MARBLEHEAD PROPERTY TO THE CITY OF SAN CLEMENTE RECORDED FEBRUARY 02, 1998 AS INSTRUMENT NO. 19980055942 OF OFFICIAL RECORDS IN SAID OFFICE OF THE ORANGE COUNTY RECORDER.

APN'S: 679-151-04 AND 679-151-26

PARCEL G:

PARCEL 6 OF LOT LINE ADJUSTMENT LL 96-18 RECORDED MARCH 29, 1996 AS INSTRUMENT NO. 19960156118, OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

ALL OF PARCEL 19 AS DESCRIBED IN LOT LINE ADJUSTMENT NO. LL 95-43 RECORDED NOVEMBER 01, 1995 AS INSTRUMENT NO. 19950487121 OF OFFICIAL RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY.

EXCEPTING THEREFROM THAT PORTION OF SAID PARCEL 19 INCLUDED WITHIN THE FOLLOWING DESCRIBED PARCEL OF LAND:

COMMENCING AT THE WESTERLY CORNER OF LOT "H" OF TRACT NO. 15093 AS SHOWN ON A MAP THEREOF FILED IN BOOK 727, PAGES 15 THROUGH 20 OF MISCELLANEOUS MAPS, IN SAID OFFICE OF THE ORANGE COUNTY RECORDER; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID LOT "H" SOUTH 63°14'49" EAST 25.66 FEET AT A POINT HEREINAFTER REFERRED TO AS POINT "A" AND THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID SOUTHWESTERLY LINE SOUTH 63°14'49" EAST 81.83 FEET; THENCE SOUTH 21°10'00" WEST 53.31 FEET; THENCE SOUTH 53°20'00" WEST 28.74 FEET; THENCE SOUTH 66°50'00" WEST 33.40 FEET; THENCE NORTH 86°15'00" WEST 51.41 FEET; THENCE NORTH 21°15'00" EAST 55.53 FEET; THENCE NORTH 26°45'00" EAST 69.13 FEET TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM THAT PORTION OF SAID PARCEL 19 LYING NORTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT SAID POINT "A"; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID LOT "H" AND THE SOUTHWESTERLY LINE OF LOT "F" OF SAID TRACT NO. 15093 NORTH 63°14'49" WEST 118.68 FEET TO THE WESTERLY LINE OF SAID LOT "F".

APN: 679-231-42

**The First American Corporation**  
First American Title Company  
Privacy Policy

**We Are Committed to Safeguarding Customer Information**

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

**Applicability**

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values, a copy of which can be found on our website at [www.firstam.com](http://www.firstam.com).

**Types of Information**

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

**Use of Information**

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

**Former Customers**

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

**Confidentiality and Security**

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

**CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)  
EXCLUSIONS**

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
  - (a) building; (d) improvements on the Land;
  - (b) zoning; (e) land division; and
  - (c) land use; (f) environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
  - (a) that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
  - (b) that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
  - (c) that result in no loss to You; or
  - (d) that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
6. Lack of a right:
  - (a) to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
  - (b) in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

**LIMITATIONS ON COVERED RISKS**

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows: For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 16: 1% of Policy Amount or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21: 1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

**ALTA RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)  
EXCLUSIONS**

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
  - (a) and use
  - (b) improvements on the land
  - (c) and division
  - (d) environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.
2. The right to take the land by condemning it, unless:
  - (a) a notice of exercising the right appears in the public records on the Policy Date
  - (b) the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
3. Title Risks:
  - (a) that are created, allowed, or agreed to by you
  - (b) that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records

- (c) that result in no loss to you  
 (d) that first affect your title after the Policy Date -- this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
  5. Lack of a right:
    - (a) to any land outside the area specifically described and referred to in Item 3 of Schedule A OR
    - (b) in streets, alleys, or waterways that touch your land
 This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

**2006 ALTA LOAN POLICY (06-17-06)**  
**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - i. the occupancy, use, or enjoyment of the Land;
  - ii. the character, dimensions, or location of any improvement erected on the Land;
  - iii. the subdivision of land; or
  - iv. environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- b. Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - a. created, suffered, assumed, or agreed to by the Insured Claimant;
  - b. not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - c. resulting in no loss or damage to the Insured Claimant;
  - d. attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
  - e. resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - a. a fraudulent conveyance or fraudulent transfer, or
  - b. a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.

6. Any lien or right to a lien for services, labor or material not shown by the public records.

**2006 ALTA OWNER'S POLICY (06-17-06)  
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - i. the occupancy, use, or enjoyment of the Land;
  - ii. the character, dimensions, or location of any improvement erected on the Land;
  - iii. the subdivision of land; or
  - iv. environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
  - b. Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - a. created, suffered, assumed, or agreed to by the Insured Claimant;
  - b. not Known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - c. resulting in no loss or damage to the Insured Claimant;
  - d. attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
  - e. resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - a. a fraudulent conveyance or fraudulent transfer; or
  - b. a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

**ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10)**  
**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - i. the occupancy, use, or enjoyment of the Land;
  - ii. the character, dimensions, or location of any improvement erected on the Land;
  - iii. the subdivision of land; or
  - iv. environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- b. Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - a. created, suffered, assumed, or agreed to by the Insured Claimant;
  - b. not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - c. resulting in no loss or damage to the Insured Claimant;
  - d. attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
  - e. resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - a. a fraudulent conveyance or fraudulent transfer, or
  - b. a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.



RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

City of San Clemente  
100 Avenida Presidio  
San Clemente, CA 92672  
Attn: City Manager

Exempt from Recording Fee (Gov. Code §27383)

SPACE ABOVE THIS LINE FOR RECORDER'S USE

## CONSERVATION EASEMENT

THIS CONSERVATION EASEMENT ("Conservation Easement") is made this \_\_\_ day of \_\_\_\_\_, 2018 (the "Execution Date"), by the Marblehead Community Association (hereinafter "Grantor"), in favor of the City of San Clemente ("Grantee").

### RECITALS

A. Grantor is the sole owner in fee simple of approximately 287 acres of real property in the City of San Clemente, County of Orange, State of California, as legally described and depicted in Exhibit A, attached hereto and incorporated herein by this reference (the "Property").

B. With the exception of certain infrastructure and roadway improvements specified in the Marblehead Inland Master Plan (the "Master Plan") and the approved tentative tract maps implementing the Master Plan, the Property was required to remain as permanent natural open space to satisfy a condition of approval of the Master Plan.

C. To implement the Master Plan requirements and consistent with the terms and conditions of this Conservation Easement, a substantial portion of the Property, which is described in Exhibit B (the "Conservation Easement Area"), is and will remain in a natural condition as defined herein and is intended to be preserved, in perpetuity, in its natural, scenic, open condition to maintain its ecological, historical, visual, and educational values.

D. The Conservation Easement Area includes, among other important natural resources, federally-designated Critical Habitat for the California gnatcatcher, a songbird protected as "threatened" pursuant to the federal Endangered Species Act, and substantial wetland and riparian habitats. Grantor therefore wishes to further the original commitment to

preserve the Conservation Easement Area as permanent natural open space by executing this Conservation Easement in favor of Grantee.

E. Grantee is authorized to hold conservation easements under California Civil Code section 815.3. Specifically, Grantee is an entity identified in Civil Code section 815.3 and otherwise authorized to acquire and hold title to real property.

### TERMS

1. Conservation Easement. In consideration of the above recitals and the mutual covenants, terms, conditions, and restrictions contained herein, and in accordance with the laws of the state of California, including Civil Code section 815 et seq., Grantor hereby voluntarily grants and conveys to Grantee and its successors or assigns, as appropriate, a Conservation Easement in perpetuity over the Conservation Easement Area. This Conservation Easement shall run with the land and be binding on Grantor's heirs, successors, administrators, assigns, lessees, and other occupiers or users of the Conservation Easement Area or any portion of it.

2. Grantee's Rights. To accomplish the purpose of this Conservation Easement, Grantor hereby grants and conveys the following rights to Grantee:

(a) To preserve and protect the conservation values of the Conservation Easement Area; and

(b) To enter upon the Conservation Easement Area at reasonable times in order to monitor compliance with and to otherwise enforce the terms of this Conservation Easement; and

(c) To prevent any activity on or use of the Conservation Easement Area that is not reserved herein and is inconsistent with the Grantor's governing documents or the purpose of this Conservation Easement and to require the restoration of such areas or features of the Conservation Easement Area that may be damaged by Grantor as a result of any act, failure to act when specifically required herein to act, or any use of the Conservation Area by Grantor not reserved herein that is inconsistent with the purpose of this Conservation Easement; and

(d) To require that all mineral, air, and water rights held by Grantor (if any) as Grantee deems necessary to preserve, protect, and sustain the biological resources and conservation values of the Conservation Easement Area shall remain a part of and be put to beneficial use on the Conservation Easement Area, consistent with the purposes of this Conservation Easement; and

(e) All present and future development rights allocated, implied, reserved, or inherent in the Conservation Easement Area are hereby terminated and extinguished and such present and future development rights may not be used on or transferred to any portion of the Property, nor any other property adjacent or otherwise; and

(f) The right to enforce by judicial enforcement — including without limitation, injunctive relief — the terms and conditions of this Conservation Easement; and

(g) The non-exclusive right at Grantee's sole expense to enhance native plant communities, including the removal of non-native species and the right to plant native trees and shrubs of the same type as currently existing on the Conservation Easement Area, or other appropriate native species. Grantor shall also retain a right to enhance native plant communities within the Conservation Easement Area, or to allow others to do so. Habitat enhancement activities shall not conflict with the preservation of the natural condition of the Conservation Easement Area or the purpose of this Conservation Easement and shall be performed in compliance with all applicable laws, regulations, and permitting requirements; and;

(h) The right to allow docent-led hikes into the Conservation Easement Area for educational and recreational purposes, but only along designated routes to be agreed to in writing by Grantor and under terms and conditions agreed to in writing.

3. Prohibited Uses. Except as provided in Section 4 below, 5 below any activity on or use of the Conservation Easement Area that is inconsistent with the Grantor's governing documents or the purpose of this Conservation Easement is prohibited. Without limiting the generality of the foregoing, the following uses by Grantor, its respective guests, agents, assigns, employees, representatives, successors, and third parties are expressly prohibited within the Conservation Easement Area:

(a) Unseasonable or supplemental watering except for habitat enhancement activities;

(b) Use of herbicides, pesticides, biocides, fertilizers, or other agricultural chemicals or weed abatement activities, except weed abatement activities necessary to control or remove invasive, exotic plant species;

(c) Incompatible fire protection activities except in the case of the imminent approach of a fire or fire protection activities required by a government entity;

(d) Use of vehicles off-road and use of any other motorized vehicles except on existing roadways;

(e) Grazing or other agricultural activity of any kind, except for controlled grazing undertaken for the purpose of suppressing non-native vegetation and after the parties agree in writing to any such grazing plan;

(f) Recreational activities including, but not limited to, horseback riding, biking, jogging, hunting or fishing (certain passive recreational rights are retained in Reserved Rights section herein);

(g) Residential, commercial, retail, institutional, or industrial uses;

(h) Any legal or de facto division, subdivision, or partitioning of the Conservation Easement Area;

(i) Construction, reconstruction, or placement of any building, road, wireless communication cell tower, any billboard or sign, or any other structure or improvement;

(j) Dumping soil, trash, ashes, refuse, waste, bio-solids, garbage, or any other material;

(k) Planting, gardening, or introduction or dispersal of non-native plant or animal species;

(l) Filling, dumping, excavating, draining, dredging, mining, drilling, removing, or exploring for or extraction of minerals, loam, gravel, soil, rock, sand, or other material on or below the surface of the Conservation Easement Area;

(m) Altering the general topography of the Conservation Easement Area, including but not limited to building of roads and flood control work;

(n) Removing, destroying, or cutting of trees, shrubs, or other vegetation, except for (1) emergency fire breaks as required by fire safety officials, (2) prevention or treatment of disease, (3) control of invasive species that threaten the integrity of the habitat;

(o) Manipulating, impounding, or altering any natural watercourse, body of water, or water circulation on the Conservation Easement Area and activities or uses within the Conservation Area detrimental to water quality.;

(p) Creating, enhancing, and maintaining fuel modification zones (defined as a strip of mowed land or the planting of vegetation possessing low combustibility for purposes of fire suppression) or other activities that could constitute fuel modification zones;

(q) Without the prior written consent of Grantee, which Grantee may withhold, transferring, encumbering, selling, leasing, or otherwise separating any mineral rights or water rights for the Conservation Easement Area held by Grantor;

(r) Creation of any encumbrance superior to this Conservation Easement, other than those encumbrances set forth in Exhibit "B" hereto, or the recording of any involuntary lien (which is not released within thirty calendar days), or the granting of any lease, license or similar possessory interest in the Conservation Easement Area which will affect the conservation values of the Conservation Easement Area; and

(s) Any and all other activities and uses of the Conservation Easement Area that would adversely affect the realization of the purpose of this Conservation Easement.

4. **Reserved Rights.** Grantor and Grantee expressly acknowledge that this Conservation Easement creates no restrictions on activities undertaken on property adjacent to the Conservation Easement Area, including the residential lots and common areas within the Marblehead Inland Master Plan. Moreover, Grantor reserves all rights accruing from its ownership of the Conservation Easement Area, including the right to engage in or to permit or invite others to engage in those uses of the Conservation Easement Area that are authorized by and consistent with this Conservation Easement. Specifically, Grantor reserves the right to:

(a) Undertake remedial grading within the Conservation Easement Area if necessary to stabilize existing residential or other property within or adjacent to the Master Plan

(provided any such work shall be undertaken after obtaining all necessary permits and approvals and shall include a plan to restore the area impacted to native vegetation);

(b) Allow residents of the Master Plan and their guests to enter (by foot) the Conservation Easement Area for passive recreational purposes, provided residents and their guests enter and remain on designated trails to be agreed upon in writing by Grantor;

(c) To undertake, or to allow others to undertake, habitat enhancement or restoration activities within the Conservation Easement Area, provided any necessary permits or approvals are obtained prior to undertaking such activities. While Grantee also has the non-exclusive right to undertake habitat enhancement or restoration activities, Grantor reserves the sole right to allow parties other than Grantee the right to undertake habitat enhancement or restoration activities within the Conservation Easement Area, and to receive compensation for allowing such activities.

5. Fee Ownership and Responsibilities. Grantor, its successors and assigns retain all responsibilities and bear all costs and liabilities set forth in the Grantor's governing documents related to the fee ownership of the Property, including the Conservation Easement Area. Grantor agrees Grantee shall not have any duty or responsibility for the operation, upkeep, or maintenance of the Conservation Easement Area, the monitoring of hazardous conditions thereon, or the protection of Grantor, the public, or any third parties from risks relating to conditions on the Conservation Easement Area, with the exception that Grantee shall be responsible for the supervision of individuals from the public that participate in any docent-led hikes the Conservation Easement Area (should the parties agree in writing to allow such hikes), and shall indemnify Grantor against liability arising from such hikes. Grantor, and its successors and assigns remain solely responsible for obtaining any applicable governmental permits and approvals for any activity or use Grantor wishes to undertake within the Conservation Easement Area and which is permitted by this Conservation Easement, and any activity or use shall be undertaken in accordance with all applicable federal, state, local and administrative agency statutes, ordinances, rules, regulations, orders, and other requirements. Grantor and Grantee acknowledge and agree that this Conservation Easement does not create any additional affirmative maintenance obligations within the Conservation Easement Area.

6. Hold Harmless. Each Party (the "first Party") does hereby agree to the maximum extent permitted by law, at its sole cost and expense, to hold harmless the other Party (the "second Party") and any of the second Party's parent corporations, subsidiaries, and affiliates, and their respective officers, managers, directors, representatives, employees, contractors, agents, transferees, successors and assigns, from any and all liabilities, damages (both actual and consequential), losses, costs, expenses, claims, actions or proceedings, including, without limitation, reasonable attorney's fees and expert fees, that are caused by or arise or are connected with: (a) the negligence, errors, omissions, recklessness or intentional misconduct of the first Party or the employees or agents of the first Party in the performance of this Agreement as they are established by a binding final judgment or settlement or (b) a default in the first Party's performance or failure to perform its obligations under this Agreement. Each Party shall comply, at its sole cost and expense, with all laws and regulations applicable to the Party's obligation under this Agreement.

7. Amendment. Grantor and Grantee may amend this Conservation Easement only by mutual written agreement. Any such amendment shall be consistent with the purpose of this Conservation Easement and shall not affect its perpetual duration. Grantor or its successors and assigns shall record any amendments to this Conservation Easement approved by the Grantee in the official records of Orange County, California, and shall provide a copy of the recorded document to the Grantee.

8. Condemnation. The purposes of the Conservation Easement are presumed to be the best and most necessary public use as defined at Code of Civil Procedure section 1240.680 notwithstanding Code of Civil Procedure sections 1240.690 and 1240.700. Nevertheless, if the Conservation Easement Area is taken, in whole or in part, by exercise of the power of eminent domain, Grantor and Grantee shall be entitled to compensation in accordance with applicable law. Grantor holds the fee interest in the Conservation Easement Area as part of the community facilities designated for the use and benefit of the property owners and residents of the Master Plan, and any condemnation and use of all or a portion of the Conservation Easement Area for a purpose other than as permanent natural open space, diminishes the property rights of all the Master Plan property owners and the quiet enjoyment of the Conservation Easement Area by the property owners and residents of the Master Plan.

9. General Provisions.

(a) Controlling Law. The interpretation and performance of this Conservation Easement shall be governed by the laws of the State of California.

(b) Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to the specific subject matter hereof and supersedes all prior discussions, negotiations, understandings, and agreements relating to the specific subject matter hereof.

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

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

(e) Successors in Interest; Conservation Easement Runs With Land. This Conservation Easement binds the Conservation Easement Area, the parties, and any successor to any portion of or interest in the Conservation Easement Area and shall constitute a servitude running in perpetuity with the Conservation Easement Area.

(f) Additional Interests. Grantor, its successors and assigns shall not grant additional easements or other interests in the surface or subsurface of the Conservation Easement Area (other than a security interest that is subordinate to this Conservation Easement) without the prior written authorization of Grantee. Grantor or its successors and assigns shall record any additional easements or other interests in the Conservation Easement Area approved by Grantee,

in the official records of Orange County, California and shall provide a copy of the recorded document to Grantee. Existing easements and other interests are shown in Exhibit C.

(g) Enforcement – Right to Enforce. Grantor, its successors and assigns, grant to the Grantee, a discretionary right to enforce this Conservation Easement in a judicial or administrative action against any person or entity violating or attempting to violate this Conservation Easement; provided, however, that no violation of this Conservation Easement shall result in a forfeiture or reversion of title.

(h) Extinguishment. If circumstances arise in the future that render the purposes of the Conservation Easement impossible to accomplish, the Conservation Easement can only be terminated or extinguished, in whole or in part, by judicial proceedings in a court of competent jurisdiction. If the Conservation Easement is so terminated or extinguished, then any interest that Grantee might still have in the Conservation Easement Area reverts to Grantor.

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

(j) No Merger. Grantor and Grantee agree that should Grantee, or any successor in interest to Grantee, come to own all or a portion of the fee interest subject to this Conservation Easement, there shall be no express or implied merger by operation of law or otherwise.

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

IN WITNESS WHEREOF Grantor has executed this Conservation Easement the day and year first above written.

GRANTOR:

Marblehead Community Association

\_\_\_\_\_

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

Its: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

Board Secretary

**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by Marblehead Community Association ("Grantor"), on the Conservation Easement dated \_\_\_\_\_, 2017, to the City of San Clemente ("Grantee"), is hereby accepted by the undersigned officer on behalf of the Grantee, pursuant to authority conferred by the City Council, and the Grantee consents to recordation thereof by its duly authorized officer.

Dated: \_\_\_\_\_, 2018

GRANTEE:

City of San Clemente

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

Its: \_\_\_\_\_

ATTEST:

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

Its: \_\_\_\_\_



**EXHIBIT A**  
**[LEGAL DESCRIPTION OF THE PROPERTY]**

The Property consists of all of the eight legal lots described in the table below. All documents referenced in the table are recorded in the County of Orange, in the State of California.

<b>No.<sup>1</sup></b>	<b>Map Book/Page<sup>2</sup></b>	<b>Tract</b>	<b>Lot</b>	<b>APNs<sup>3</sup></b>
<b>1</b>	<b>MM 470/37</b>	<b>10686</b>	<b>2</b>	<b>679-041-02</b>
<b>2</b>	<b>MM 470/33</b>	<b>10686</b>	<b>3</b>	<b>679-151-06</b> <b>679-151-07</b>
<b>3</b>	<b>MM 471/6</b>	<b>10880</b>	<b>106</b>	<b>679-151-11</b>
<b>4</b>	<b>MM 471/18</b>	<b>10881</b>	<b>126</b>	<b>679-151-02</b> <b>679-151-08</b> <b>679-151-17</b>
<b>5</b>	<b>MM 680/47</b>	<b>13054</b>	<b>K</b>	<b>679-231-42</b>
<b>6</b>	<b>MM 727/16</b>	<b>15093</b>	<b>H</b>	<b>679-151-22</b> <b>679-151-23</b> <b>679-221-40</b> <b>679-221-41</b>
<b>7</b>	<b>CC 96-33<sup>4</sup></b>	<b>NA<sup>5</sup></b>	<b>Parcel 1</b>	<b>679-151-05</b>
<b>8</b>	<b>LL 96-53<sup>6</sup></b>	<b>NA</b>	<b>Parcel 3</b>	<b>679-151-26</b> <b>679-152-04</b>

- 1 The numbers shown in the No. column are for purposes of this table only. The numbers count the number of lots included in the Property and do not refer to any official document or record.
- 2 Where a tract map is not available, a substitute recorded document is used to identify the real property.
- 3 Assessor's Parcel Numbers (APNs) are for reference only. The description of the real property is drawn from the recorded tract maps and substitute document.
- 4 Certificate of Compliance CC 96-33, recorded as Instrument No. 19960419778.
- 5 Tract number is not applicable because the document referenced is not a tract map.
- 6 Lot Line Adjustment LL 96-53, recorded as Instrument No. 19970066818.

**EXHIBIT B**  
**[LEGAL DESCRIPTION OF THE CONSERVATION EASEMENT AREA]**

The Conservation Easements Area consists of all of the eight legal lots described in the table below, with the exception of those portions of the lots that are identified as exclusions. All documents referenced in the table are recorded in the County of Orange, in the State of California.

No. <sup>1</sup>	Map Book/Page <sup>2</sup>	Tract	Lot	APNs <sup>3</sup>	Exclusions <sup>4</sup>
1	MM 470/37	10686	2	679-041-02	175 feet from residential property <sup>5</sup> ; 85 feet from Avenida Pico right-of-way; 85 feet from Calle Frontera right-of-way.
2	MM 470/33	10686	3	679-151-06 679-151-07	175 feet from residential property; 85 feet from Calle Frontera right-of-way.
3	MM 471/6	10880	106	679-151-11	175 feet from residential property.
4	MM 471/18	10881	126	679-151-02 679-151-08 679-151-17	175 feet from residential property.
5	MM 680/47	13054	K	679-231-42	175 feet from residential property.
6	MM 727/16	15093	H	679-151-22 679-151-23 679-221-40 679-221-41	175 feet from residential property.
7	CC 96-33 <sup>6</sup>	NA <sup>7</sup>	Parcel 1	679-151-05	175 feet from residential property.
8	LL 96-53 <sup>8</sup>	NA	Parcel 3	679-151-26 679-152-04	Property owned by the City of San Clemente <sup>9</sup> ; 175 feet from residential property; 35 feet from Avenida Vista Hermosa right-of-way; 35 feet from Camino Vera Cruz right-of-way.

- 1 The numbers shown in the No. column are for purposes of this table only. The numbers count the number of lots included in the Conservation Easement Area and do not refer to any official document or record.
- 2 Where a tract map is not available, a substitute recorded document is used to identify the real property.
- 3 Assessor's Parcel Numbers (APNs) are for reference only. The description of the real property is drawn from the recorded tract maps and substitute document.
- 4 Unless otherwise noted, excludes portions of the lot within the specified distance from the specified location.
- 5 Residential property is defined as real property zoned for residential use as of the execution of this Agreement.
- 6 Certificate of Compliance CC 96-33, recorded as Instrument No. 19960419778.
- 7 Tract number is not applicable because the document referenced is not a tract map.
- 8 Lot Line Adjustment LL 96-53, recorded as Instrument No. 19970066818.
- 9 As shown in Grant Deed and Grant of Easement for Marblehead Property, recorded as Instrument No. 19980055942 (for reference, APN 679-152-03).

**EXHIBIT C**  
**[TITLE REPORT SHOWING EXISTING ENCUMBRANCES]**

**(Follows on next page)**