

Please complete and attach to Application for Disestablishment or Diminishment.

A separate petition for Cancellation of Contract must be completed for each separate ownership of land to be removed from an agricultural preserve. (A husband and wife, a partnership, a corporation, a trust, or a joint ownership is one owner.)

I, the undersigned, the owner or one of the owners authorized to act on behalf of all owners of land described herein, respectfully petition the Honorable Board of Supervisors of the County of Imperial to withdraw said property <u>APNs 052-210-038 and 052-210-039</u> from Agricultural Preserve No. 117, Contract No. 2001-01, and to cancel the Land Conservation Contract or Agreement dated December 11, 2001, and recorded on December 31, 2001 as Instrument No. 2001-029377 (Book 2099, Page 745) in the Office of the County Recorder of Imperial County, California, as it pertains to said property. I declare under penalty of perjury that the information provided by me in this petition is true and complete to the best of my knowledge.

Owner's Signature:	In Como goan Connelle Date: 9/28/11
Ourora	Gus & JoAnn Connelly Phone: (619) 749-5445
Owner's Address	2886 WINDWOOD Way Fax: (619)749-5445
	EL CAJON CA 92019Email: Connelly 1 @ cox. net

If the above owner is one of the owners, authorized to act on all the owners, attach a copy of the authorization.

AGRICULTURAL PRESERVE PROGRAM PETITION FOR CANCELLATION OF CONTRACT

1. Please list all the names and addresses of all owners as shown on the recorded deed. (If the owner is a corporation, please state the type of corporation, place and date of incorporation, and affix corporate seal to the page.

Gus Connelly and Jo Ann Connelly (husband and wife) 2886 Windwood Way El Cajon, CA 92019

2. If the owner is a partnership, or a corporation, a notarized statement from said partnership or corporation indicating that the petitioner is authorized to act on behalf of the partnership or corporation, must be attached to this Petition for Cancellation of Contract.

n/a

3. Give Name and address of the mortgage holder for this property.

n/a

4. Please attach site plan with the general location of the property, including the major crossroads.

See Appendix A

5. Please attach a complete legal description of this property as shown in the deed or the title insurance policy.

See Appendix B

6. Please provide the following information from your property tax bill(s):

Assessor's Parcel Number(s)	Acreage
052-210-038	139
052-210-039	104

7. Attach a statement outlining the proposed alternative land use for this property.

See Appendix C

8. Attach any written evidence establishing the lack of nearby property, not subject to a Land Conservation Contract, which is both available and suitable for the proposed alternative land use.

See Appendix D

9. Attach a statement explaining how the cancellation of this contract will not result in premature conversion of nearby property presently under a Williamson Act Agricultural Preserve Contract.

See Appendix E

10. Attach all required Property Owner's Notification Information and completed Property Owner's Certification.

Page 2 of 2

JM/lh/S:/forms_lists/agricultural preserve program cancellation

Project Site Plan	Appendix A
Legal Description of Property	
Proposed Alternative Land Use Description	Appendix C
Analysis of Nearby Lands	Appendix D
Agricultural Cancellation Findings	Appendix E
Notice of Nonrenewal - Land Conservation Contract	Appendix F

<u>APPENDIX A</u> Project Site Plan



1	REV No.	REVISION	DATE	
11/2/2				
PRINTED: 7/				
Β.				



ſ	PREPARED	UNDER	THE	DIRECT	SUPER	/ISION	OF:	REGESSIONAL ENGINE	`
	JEFFREY ENGINEER				921	DAT	E	Solution C/VIL F/ OF CALIFORNIA	





















CALEXICO SOLAR FARM I PHASE A (88FT) location calexico, ca sheet title o&m building client bminutenergy renewables

SHEET No. 1 BY GMG DATE 3/22/11 JOB # GS1039



ĺ	REV No.	REVISION	DATE	
11/1/1				
PRINTED: 7				
IH (



1	<i></i>		
$\left(\right)$	PREPARED UNDER THE DIRECT SUPERVIS	ION OF:	SEESSIONAL SU
[[PRO LEFREY O
			E RCE 31,921 2
			EXP 12-31-12
	JEFFREY O. LYON, R.C.E. 31,921	DATE	SA CIVIL ALE OF ALLEORNIA
\mathbb{N}	ENGINEER OF RECORD		OF CALI
1			





CALEXICO SOLAR FARM I PHASE B (88FT)

SHEET No. BY GMG DATE 3/22/11 JOB # GS1039

LOCATION CALEXICO, CA SHEET TITLE OVERALL SITE PLAN CLIENT BMINUTENERGY RENEWABLES







(PREPARED	UNDER	THE	DIRECT	SUPE	RVISION	I OF:	RUESSIONAL CHORES	
	JEFFREY ENGINEER			:Е. 31,9	921	DA	ATE	EP 12-31-12 G CIVIL FF COP CAUFORN	





CALEXICO SOLAR FARM I PHASE B (88FT) location calexico, ca sheet title own building

8MINUTENERGY RENEWABLES

CLIENT



<u>APPENDIX B</u> Legal Description of Property

Legal Description of Property

The land referred to herein is situated in the State of California, County of Imperial, Unincorporated Area, and described as follows:

APN 052-210-038

Parcel(s) 2 of Parcel Map No. 2275, in an unincorporated area of the County of Imperial, as shown by map on file in Book 10 Page(s) 98, of Parcel Maps, Records of Imperial County, California.

APN 052-210-039

Parcel(s) 3 of Parcel Map No. 2275, in an unincorporated area of the County of Imperial, as shown by map on file in Book 10 Page(s) 98, of Parcel Maps, Records of Imperial County, California; Excepting therefrom the All-American Canal Right of Way and roads, canals, easements and right(s) of way of record, reserved in that certain deed from John C. Donlevy Co., a corporation, to John C. Donlevy, Jr., et al, dated February 15, 1941 and recorded February 18, 1941 in Book 564, Page(s) 73 of Official Records.

<u>APPENDIX C</u>

Proposed Alternative Land Use Description

PROJECT INFORMATION

Project Name: Calexico Solar Farm I

General Location: The project will be located approximately four miles west of Calexico, California in southern Imperial County. The project comprises several agricultural parcels totaling approximately 1,300 acres, generally located between State Route 98 to the north and the US-Mexico border to the south, and between a private road to the west (½ mile east of Pullman Rd) and a private road to the east (½ west of Ferrell Road). The land used by the project is owned by several land owners. Agricultural lands lie to the immediate north, south, east, and west of the project, with the exception of isolated residential and/or commercial structures.

Calexico Solar Farm I comprises two phases (Phase A and Phase B), each requesting approval of a separate CUP.

Assessor's Parcel Numbers:

- Phase A (~720 AC): 052-210-001, 052-210-002, 052-210-015, 052-210-14
- Phase B (~610 AC): 052-190-011, 052-210-037, 052-210-038, 052-210-039, 052-210-018

Location Map:



Vicinity Map:



DESCRIPTION OF PROPOSED PROJECT

88FT 8ME, LLC and 8minutenergy Renewables LLC (the "Applicant") are seeking approval of two Conditional Use Permits (CUP) from Imperial County for the development of an up to 200 MW Calexico Solar Farm I ("CSF-I") solar farm located west of Calexico (see "Vicinity Map" above). The Applicant plans to develop this project in two phases: Phase A and Phase B, each with a separate CUP, and each intended to generate up to 100 MW. The Applicant further intends for each phase to have its own O&M building and onsite substation.



Project Phases

An interconnection application process for the entire CSF-I project with the California Independent System Operator (CAISO) has been initiated, and a queue position with CAISO has been secured for a total of 200 MW, which will be shared by the two phases of the CSF-I project. The Applicant intends for each CUP application of the project's two phases to produce up to 100 MW. However, each phase and CUP may produce up to 200 MW if the other phase and CUP either does not get built at all or does not get built for its full 100 MW share. The total output of both CUPs and phases combined will not exceed a total of 200 MW in any scenario.

The land requirements of a solar farm can vary significantly depending on the mounting structures used (e.g., fixed-tilt vs. tracking) and the efficiency of the modules selected. In general, on a per-MW basis, less land is required for higher efficiency modules (which may not be available cost effectively at the time of construction) with fixed-tilt mounts than for lower efficiency modules with tracking mounts. Thus, by using high efficiency modules and fixed-tilt mounts, a single phase and CUP of CSF-I could accommodate up to 200 MW itself. It is entirely possible that each phase and CUP ends up with a mix of fixed tilt and/or tracking mounts and different module efficiencies.

Therefore, the Applicant requests the approval of two CUPs for the CSF-I project: one CUP for Phase A, and a second CUP for Phase B. The CUP term requested for each phase and CUP is 40 years. The Applicant proposes to construct, own, operate, and fund the CSF-I project. The Applicant expects both phases of the CSF-I project to produce power by 2013 to 2014.

CSF-I's interconnection will occur at the 230 kV side of the SDG&E Imperial Valley (IV) Substation, located approximately 5 miles northwest of the project site. The Applicant intends to interconnect via 230 kV transmission facilities shared with one or more solar projects in the vicinity; several suitable transmission facilities are currently planned in CSF-I's immediate area. CSF-I intends to transfer electrical power from both of its onsite substations (one each on Phase A and Phase B land) to IV Substation via an offsite shared substation and transmission facility constructed, owned, operated, and funded by Mount Signal Solar Farm I (82LV 8me, LLC), which has a Right-of-Way (ROW) application being processed by the Bureau of Land Management (BLM). Alternatively, CSF-I may:

- 1. Build a single onsite substation located in one of CSF-I's phases, which would collect power generated by both phases of CSF-I and transmit that power to IV Substation via the method described above; or
- 2. "Host" a shared substation onsite in one of CSF-I's phases, which c/would receive power from the other phase as well as from another nearby solar project(s). Power would then be transmitted to IV Substation via shared transmission facilities constructed, owned, operated, and funded by a separate legal entity; or
- Utilize the transmission, substation, and/or O&M facilities of another legal entity(ies) other than those of Mount Signal Solar Farm I, such as another neighboring solar project or a Special Purpose Vehicle (SPV) created to accommodate multiple solar projects' shared transmission, substation, and/or O&M facilities.

In the above alternative scenarios, CSF-I's onsite transmission, substation, and/or O&M facilities c/would be reduced or eliminated, and those areas c/would instead by covered with solar panels.

Any necessary authorization or agreement to share facilities would be obtained from the appropriate legal entity(ies) prior to CSF-I's construction.

The Applicant has considered the following in its selection of the CSF-I site for detailed evaluation:

- Land availability (approximately 1,300 acres);
- Zoning (the CSF-I will be sited on land currently zoned "A-2" General Agriculture, "A-2-R" General Agriculture Rural Zone, and "A3" Heavy Agriculture);
- Minimal environmental consequences (CSF-I will be located on disturbed land currently used for agriculture);
- Water availability (no water wells required);
- Primarily (75%+) low production agricultural land (Farmland of Statewide Importance);
- Long-term land lease (25-year lease commencing with entitlements with a 15-year extension for a total of 40 years)

Project Description



Map of CSF-I Photo Locations



#1 Looking SE



#2 Looking SW

Project Description



#3 Looking SW



#5 Looking SW



#7 Looking SW



#4 Looking SE



#6 Looking NW



#8 Looking NW

Project Description



#9 Looking NE



#11 Looking SE



#10 Looking NE



#12 Looking SW

Up to twelve (12) full time employees will operate the entire CSF-I project (split roughly evenly between phases, and between daytime and nighttime shifts). Typically, up to six (6) staff total for both phases combined will work during the day shift (sunrise to sunset), and the remainder during the night shifts and weekend. As noted earlier, it is possible that one phase of CSF-I would simply feed its power to the other phase. In that scenario, CSF-I's phases would share personnel, thereby reducing the staff required for CSF-I as a whole to a total of approximately ten (10) staff. It is also possible that CSF-I would share another legal entity's O&M facilities. In that scenario, CSF-I c/would also share personnel with that legal entity, thereby reducing or eliminating the onsite staff required for CSF-I.

CSF-I will export and sell the generated electricity via the CAISO grid. After the useful life of the project (up to 40 years) the panels will be disassembled from the steel mounting frames and the site restored to its pre-development condition. CSF-I as a whole is planned to generate up to 200 MW AC of electricity during peak daylight hours (up to 100 MW planned for each phase, or up to 200 MW if technology permits or is available; total for CSF-I as a whole would not exceed 200 MW in either case).

CSF-I will utilize non-reflective photovoltaic (PV) panels (or modules) to convert sunlight directly into electricity. Individual panels will be installed on either fixed-tilt or tracker mount systems, which will stand up to 15 feet high (depending on the mount) while either flat or tilted up to approximately 40 degrees from horizontal. The solar array field will be arranged in grids, and each grid will include an inverter container and a pad-mounted transformer near the center. CSF-I will also have several electrical control containers throughout the project. CSF-I as a

whole will require the installation of up to 1.6 million photovoltaic panels to generate up to 200 MW AC (direct current ("DC") nameplate capacity of approximately 264 MW DC). The initial energy production of CSF-I as a whole will be up to approximately 480,000 MWh per year, sufficient to power over 68,000 homes and displacing over 270,000 tons of CO₂ emissions per year when compared to a gas-fired power plant or 540,000 tons when compared to a coal-fired power plant. This displacement of CO₂ emissions is equivalent to planting approximately 11 to 22 million trees or removing approximately 50,000 to 100,000 cars from the roads, respectively.



Fixed-tilt solar panels



Typical fixed-tilt solar panel rows



Typical single-axis tracking solar panels



Typical single-axis tracking solar panel rows



Typical single-axis tracking solar panel rows



Typical azimuth tracking solar panel rows





¹ See Appendix for enlarged version



Project Site Layout – Phase B¹

¹ See Appendix for enlarged version

The Applicant proposes to situate the solar array on agricultural lands generally located between State Route 98 to the north and the US-Mexico border to the south, and between a private road to the west (½ mile east of Pullman Rd) and a private road to the east (½ west of Ferrell Road). Any Imperial Irrigation District (IID) irrigation canals and drains will remain in place, including maintenance access roads as per IID easements.

The Applicant intends for each phase of CSF-I to have a separate operations and maintenance ("O&M") building (up to approximately 320 square feet each, or 40' x 80' each), with associated parking, which will be constructed near the southeast corner of Brockman Road and SR-98 for Phase A and the southeast corner of Brockman Road and Anza Road for Phase B (see Site Plan in the Appendix). The O&M buildings will be steel framed, with metal siding and roof panels, painted to match the surrounding setting (desert sand). Each O&M building site will have a septic tank and leach field for wastewater disposal. A water system and small water treatment plant will be placed at each O&M building to provide onsite de-ionized water for panel washing.

Panel washing requires about one quart of water for each panel per month. It is estimated that water demand from the IID canal for panel washing and domestic use will not exceed 80 acrefeet per year for CSF-I as a whole (split between phases roughly in proportion to their respective acreages). A total of approximately 20,000 to 70,000 gallons of water for CSF-I as a whole (split between phases roughly in proportion to their respective acreages) will be stored in steel tank(s) placed above ground onsite at the water treatment area, under a metal shade structure. 10,000 gallons of water for each O&M building will be exclusively dedicated for O&M firefighting purposes, i.e., to protect the O&M building only. The Applicant intends to also order and obtain a portion of the landlords' agricultural water allocations (roughly 7,000 acre-feet) from the IID to irrigate and maintain a cover crop (saltgrass or similar) on the disturbed portions of the CSF-I site; alternatively or in addition, a soil stabilizer may also be used. If a cover crop is used onsite, it is estimated that water usage to maintain that cover crop would be up to approximately 350 acre-feet per year (split between phases roughly in proportion to their respective acreages).





Operations and Maintenance (O&M) Building Area – Phase B

Access to the CSF-I is via existing paved roads (SR-98 and Brockman Road). The site will be enclosed with a low voltage, 8-foot high enhanced security fence with perimeter landscaping along public roads. The fencing will be screened with neutral colored slats (or similar) along public roads. The fence and landscaping would largely screen the project from view and beautify the project's frontages to ensure that the project would not adversely impact scenic resources or the visual character of the site and its surroundings. Each O&M building's parking lot and access driveway from will be paved (not curbed). The roads, driveways and parking lots will meet the Department of Public Works and Fire/OES Standards as well as those of the Air Pollution Control District. Alternatively, CSF-I may share the cost of a Wildland Type II (or similar) fire truck with other nearby solar projects to permit the fire department access throughout the site. Parking spaces and walkways will be concreted to meet all California Accessibility Regulations.

The solar array areas will have low lying grass and/or a soil stabilizer to control dust and storm water erosion. A small (48"x 96") metal sign will be mounted at the entrances to CSF-I that identifies the project.

As noted earlier, it is possible that one phase of CSF-I would simply feed its power to the other phase. In that scenario, CSF-I's phases would share O&M facilities and would therefore require only one set of O&M facilities (O&M building with associated parking area, water tank(s), dedicated 10,000 gallons of fire-fighting water to protect the O&M building, etc.). The other O&M

building area would instead be covered by solar panels. It is also possible that CSF-I would share another legal entity's O&M facilities. In that scenario, CSF-I's own onsite O&M facility needs c/would therefore be reduced or eliminated, and any unused O&M building area depicted in the Site Layout c/would instead be covered by solar panels.

<u>APPENDIX D</u> Analysis of Nearby Lands

The Applicant finds that there is no proximate non-contracted land which is both available and suitable for the use to which it is proposed the contracted land be put. The unique siting requirements of a solar farm limit the number of parcels available and suitable for such use. The siting of solar farm facilities largely is determined by the need to locate: (1) at or very near to existing electrical facilities (including transmission lines), (2) with available transmission capacity in the lines to carry the additional electricity produced, which is a function not only of line capacity but also arrangement of the electrical grid to ensure balanced loads.

The Solar Farm Parcels are uniquely suited to the operation of a photovoltaic solar electricity generating facility. It is close to the Imperial Valley (IV) Substation located on nearby federal land managed by the Bureau of Land Management (BLM). The Solar Farm Parcels will interconnect at IV Substation via a planned 230 kV electrical transmission line located one-half mile to the north of the Solar Farm Parcels.

The proximity to IV Substation and the planned transmission line in particular limits the difficulty of obtaining easements and the expense of constructing additional transmission line(s). This is important because utility-scale photovoltaic solar energy is at the high-end of the price scale for the range of utility-scale power generation (coal, natural gas, nuclear, solar, wind) and thus it is prudent to minimize additional costs such as extending or adding transmission lines.

Within the one-mile radius of the Solar Farm Parcels, the Solar Farm Parcels are the only parcels properly suited to the Applicant's project objectives. Exhibit "A," attached, shows the one-mile radius around the Solar Farm Parcels. As is clearly visible from the exhibit, the majority of parcels surrounding the Solar Farm Parcels are already tied up for use in planned solar facilities (including the Applicant's proposed project).

Within the Solar Farm Parcels' section (a section is typically approx. 640 acres), located adjacent to the US-Mexico border, all the land is already being utilized by the Applicant's proposed solar farm, with the exception of a small area that is insufficient size to accommodate a solar facility of the scale proposed by the Applicant.

Half of the section to the west of the Solar Farm Parcels, located adjacent to the US-Mexico border, is already being used for a separate proposed solar farm. The remaining land consists of three parcels: two are owned by a landowner that is not interested in selling or leasing the property for the Applicant's proposed project, and one is encumbered by a Williamson Act contract.

Almost the entire section to the northwest of the Solar Farm Parcels is already being utilized for three proposed solar farms (including the Applicant's proposed project). The little remaining land that is not allocated to a proposed solar farm is insufficient in size to accommodate a solar facility of the scale proposed by the Applicant.

Within the section to the north of the Solar Farm Parcels, half the land is being used by a separate proposed solar farm. An additional one-and-one-half quarter section is being used by the Applicant's proposed solar farm. The remaining land is owned by a landowner who is not interested in selling or leasing their property for the Applicant's proposed project, or is insufficient in size to accommodate a solar facility of the scale proposed by the Applicant.

Within the section to the northeast of the Solar Farm Parcels, half the land is already being utilized for the Applicant's proposed solar farm. An additional quarter quarter section is being

used for a separate proposed solar farm. The remaining land is owned by landowners who are not interested in selling or leasing their property for the Applicant's proposed project, or is insufficient size to accommodate a solar facility of the scale proposed by the Applicant.

The section to the east of the Solar Farm Parcels, located adjacent to the US-Mexico border, comprises two quarter sections. Half the land is already being utilized for a separate proposed solar farm. A quarter of the remaining land is being used for the Applicant's proposed solar farm, while the rest is owned by a landowner who is not interested in selling or leasing the property for the Applicant's proposed project.

APPENDIX D, EXHIBIT A – LANDS PROXIMATE TO PROJECT SITE



1/4	mi	1⁄2 mi	1	mi

<u>APPENDIX E</u>

Agricultural Cancellation Findings

Cancellation is not likely to result in the removal of adjacent lands from agricultural use.

Cancellation is not likely to result in the removal of adjacent lands from agricultural use because the proposed use is a solar farm. Typically cancellation of Williamson act contract in an area may result in the removal of adjacent lands if the proposed use for the property is an incompatible use or is a use that encourages leap frog development. The types of development projects that in other parts of the state have resulted in the removal of adjacent lands from agricultural use have included traditional residential and commercial development. Solar farms unlike typical residential or commercial development projects do not encourage the premature removal of adjacent lands because solar farms, as part of their approval and development, generally do not involve the construction of backbone infrastructure (water and sewer) that would accelerate or encourage leap frog development. Additionally, the cancellation is unlikely to be the cause of the removal of additional property from agricultural use because:

- Agricultural operations in the County of Imperial have occurred in parcels of land with or without agricultural contracts regardless of whether those parcels are located within or outside of an agricultural preserve. Therefore, the cancellation of this contract is not likely to result in the removal of adjacent lands from agricultural use.
- Backbone Infrastructure (water and sewer) is not being proposed nor is required as part of this solar farm development project.
- Locating the solar farm within the agricultural property could be found to be a compatible
 use in the agricultural preserve and county as a whole. More specifically, the state
 department of conservation has indicated that in some instances counties like County of
 Imperial may determine that the solar farm to be a compatible use with the underlying
 agricultural use. The County of Imperial could make this analysis whether the proposed
 solar farm significantly interferes with the underlying county wide agricultural operation.
- Locating the solar farm in this area would not significantly interfere with the countywide agricultural operations. More specifically, the removal of this land from agricultural productions would represent approximately 0.25% of the total amount of land devoted to agricultural production in the County. The removal of this land is not likely to result in the removal of adjacent lands from agricultural use.

For the above-stated reasons, the cancellation of the contract for this property will not result in the removal of adjacent lands from agricultural use.

<u>APPENDIX F</u>

Notice of Nonrenewal – Land Conservation Contract

Recoding Requested by:

IMPERIAL COUNTY BOARD OF SUPERVISORS El Centro, California

Return To:

Clerk of the Board County Administration Building Recorded without fee under GCS 27383

Recorded in Official Records, Imperial Gounty Dolores Provencio County Clerk / Recorder		11/10/2010 2:22 PM LL
IMP County of Imperial		
Doc#: 2010-028460	Titles: 1	Pages: 2
	Fees	0.00
	Texes	0.00
LA FINA DE ELECTRICE DE LA COMPANIA	Other	0.00
	PAID	\$0.00

NOTICE OF NONRENEWAL LAND CONSERVATION CONTRACT (WILLIAMSON ACT)

W.R. CONNELLY INC Preserve #117 Contract #2001-01 Document #BK 2099, PG 745 APN (s) 052-210-039-001; 052-210-038-001

 Pursuant to provisions of Section 51245 of the California Government Code, notice is hereby given that there is on file with Imperial County Clerk of the Board a Notice of Nonrenewal of land included in the California Land Conservation Contract (Williamson Act) originally executed between the County of Imperial and KAY BROCKMAN BISHOP_on 12/11/2001 as Document #BK 2099, PG 745 of the Official Records of the County of Imperial and recorded on 12/31/2001 and conveyed to

> W.R. CONNELLY INC 9210 OLIVE DRIVE SPRING VALLEY, CA 91977

on October 20, 2010. The contract on the aforementioned land, (APN 052-210-039-001; 052-210-038-001) therefore, will terminate on 12/31/2019

Louis Fuentes Chairman Imperial County Board of Supervisors

CC: Department of Conservation Raiph Cordova, County Executive Office Michael Rood, County Counsel Roy Buckner, Assessor

S:WILLIAMSON ACT/2010 County-wide Non Renewal Mailout/NOTICE OF NONRENEWAL (2010 WA).docx

October 20, 2010 Date ALL PURPOSE ACKNOWLEDGEMENT

Preserve #117 Contract #2001-01 APN (s) 052-210-039-001; 052-210-038-001

STATE OF CALIFORNIA BOARD OF SUPERVISORS COUNTY OF IMPERIAL



On <u>October 20, 2010</u> before me, <u>Sylvia Bermudez, Clerk of the Board of</u> <u>Supervisors</u> personally appeared <u>Louis A. Fuentes</u> who proved to me on the basis of satisfactory evidence to be the <u>person(s)</u> whose <u>name(s)</u> <u>is</u>/are subscribed to the within instrument and acknowledged to me that <u>he</u>/she/they executed the same in <u>his</u>/her/their authorized <u>capacity(ies)</u> and that by <u>his</u>/her/their signature(s) on the instrument the <u>person(s)</u> or the entity upon behalf of which the <u>person(s)</u> acted, executed the instrument.

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

WITNESS my hand and official seal:



IMPERIAL COUNTY

PLANNING & DEVELOPMENT SERVICES DEPARTMENT

AGRICULTURAL PRESERVE PROGRAM APPLICATION FOR DISESTABLISHMENT OR DIMINISHMENT OF AN AGRICULTURAL PRESERVE

INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED

CASE NUMBER

DATE SUBMITTED:

APPLICATION INFORMATION

APPLICANT OWNERS NAME 88FT 8ME LLC			PHONE (213) 281-9771
MAILING ADDRESS	CITY	STATE	ZIP CODE
10100 Santa Monica Boulevard, Suite 300	Los Angeles	CA	90067
PROPERTY OWNERS NAME Gus and Jo Ann Connelly			PHONE (619) 990-1089
MAILING ADDRESS (street / p.o.)	CITY	STATE	ZIP CODE
2886 Windwood Way	El Cajon		92019
ENGINEERS NAME	CAL. LICENSE NO		PHONE
Jeffrey O. Lyon	RCE31921		(760) 337-1100
MAILING ADDRESS (street / p.o.)	CITY	STATE	ZIP CODE
780 North 4 th Street	El Centro	CA	92243

If the property is owned by more than one person, attach a separate page that reference the application case number and lists the names, mailing addresses, and phone numbers of all persons having an interest in the real property or properties involved in this application.

The Planning & Development Services Department will primarily direct communications regarding this application to the person identified above as the Applicant. The Applicant may be the property owner, representative, or other assigned agent.

Fees collected in excess of the actual cost of providing specific services will be refunded. If additional funds are needed to complete the processing of your application, you will be billed, and processing of the application will cease until the outstanding balance is paid and sufficient funds are available to continue the processing of the application. The applicant understands the deposit fee process as described above, and that there will be NO refund of fees which have been expended as part of the application review or other related activities or services, even if the application is withdrawn or the application is ultimately denied.

I / WE CERTIFY THAT I AM / WE ARE THE OWNER(S) OF RECORD AND THE INFORMATION SUPPLIED INFORMATION, TO THE BEST OF MY KNOWLEDGE, IS TRUE AND CORRECT.

Gas & John Conselly 9/28/11 Print Name DATE Print Name

SIGNATURE OF PROPERTY OWNER

SIGNATURE OF PROPERTY OWNER

Thomas Buttgenbach Print Name

10/4/11 DATE
AUTHORITY FOR THIS APPLICATION IS HEREBY GIVEN:

If the subject property is owned by persons who have not signed as owners above, attach a separate sheet that references the application case number and lists the printed names and signatures of all persons having an interest in the property. Additionally, an authorized agent must submit a letter from the owner(s) indicating authority to sign the application on the owner's behalf. <u>All signatures must be originals ("wet-signed")</u>. Photocopies of signatures are not acceptable.

PROPERTY INFORMATION:

PROPERTY (site) ADDRESS	
TBD	
ASSESSORS PARCEL NO.	SIZE OF PROPERTY (in gross acres)
052-210-038 and 052-210-039	243 acres
LEGAL DESCRIPTION (attach separate sheet if necessary)
See Appendix A	
GENERAL LOCATION (CROSS STREETS) Bounded by a private road to the west, Anza Road to the no south.	rth, Rockwood Road to the east, and the US-Mexico border to the
PROJECT INFORMATION:	
Purpose of Request (Check one):	
XDisestablishment (Termination of entire Agricultu	ral Preserve)
Diminishment (Removal of a portion of the land in	an Agricultural Preserve).
lame or Number of the affected Agricultural Preserve:	No. 117
lumber of Petitions for Cancellation of Contract attached	l: 1
las a Notice of Nonrenewal been served on the land inve	olved in this application? Yes X No
yes, state the date(s) of said Notice of Nonrenewal service	ved: <u>October 20, 2010</u>
Related cases filed in conjunction with this request: <u>Non</u>	e
ADDITIONAL INSTRUCTIONS:	

- A. Attach a Petition for Cancellation of Contract for each separate ownership of land involved in this application. (A husband and wife, partnership, a corporation, a trust, or a joint ownership is considered one owner.)
- B. If the landowner is a successor-in-interest to the owner who executed the Land Conservation Contract with the County of Imperial, the application must be accomplished with proof of ownership, such as a copy of a deed or title insurance policy.
- C. Attach a map of the land affected by this application showing the properties belonging to the separate ownerships.
- D. Enclose the appropriate deposit-based filing fee for each Disestablishment or Diminishment application, and for each Petition of Cancellation of Contract. (Please make checks or money orders payable to the "County of Imperial.")
- E. Please note that payment of an Environmental Assessment deposit-based fee will be required for this application at the time of submittal, and no Land Conservation Contract can be cancelled until all provisions of the California Environmental Quality Act have been satisfied.
- F. Attach all required applications for the proposed alternative land uses for this property, and all applicable deposit-based fees.

JM/S:FORMS/agricultural preserve program disestablishment application

Owner's Request for Williamson Act Cancellation and Affidavit	Appendix A
Legal Description of Property	Appendix B
Preliminary Title Report.	Appendix C
Lands within Agriculture Preserve	Appendix D

<u>APPENDIX A</u>

Owner's Request for Williamson Act Cancellation and Affidavit

<u>OWNER'S REQUEST TO THE COUNTY OF IMPERIAL FOR CANCELLATION OF</u> <u>WILLIAMSON ACT CONTRACT & AFFIDAVIT</u>

The undersigned owner of those certain lands commonly known as Assessor's Parcel Numbers (APNs) 052-210-038 and 052-210-039 (the "Lands") requests, and petitions for, the cancellation of that certain Land Conservation Contract between owner and the County of Imperial recorded December 31, 2001 as Instrument No. 2001-029377 of the Official Records of Imperial County which covers the aforementioned APNs.

Such request is made pursuant to Government Code Section 51281 and we request that a petition for such cancellation be made to the County Board of Supervisors as contemplated in Government Code Section 51282 with a finding that cancellation is in the public interest.

Permission is hereby granted to 8Minutenergy Renewables, LLC (and its affiliated company 88FT 8ME, LLC), to take all measures necessary to apply for and complete the request/petition for cancellation of the aforementioned Land Conservation Contract imposed on the Lands pursuant to Section 51200 et seq. California Government Code

<u>Ja Configgeon</u> Connelly OWNER (SIGNATURE) <u>Cus Connelly & Jo Ann</u> Connelly OWNER (TYPED OR PRINT) 2886 Windwood Way OWNER'S ADDRESS 9-29-11

DATE

STATE OF CALIFORNIA . COUNTY OF <u>SAN Diego</u>} S.S. On <u>9-29-001</u> before me, <u>For CONNELLANN CONNELLA</u>, personally appeared who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/sho/they arequired the same in high sufficient excited accessite (in) and the

acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature



ATTENTION NOTARY Although the Information requested below is OPTIONAL, it could prevent fraudulent attachment of this certificate to unauthorized document.

Title or Type of Document		
Number of Pages	Date of Document	
Signer(s) Other Than Named A	bove	

<u>APPENDIX B</u> Legal Description of Property

Legal Description of Property

The land referred to herein is situated in the State of California, County of Imperial, Unincorporated Area, and described as follows:

APN 052-210-038

Parcel(s) 2 of Parcel Map No. 2275, in an unincorporated area of the County of Imperial, as shown by map on file in Book 10 Page(s) 98, of Parcel Maps, Records of Imperial County, California.

APN 052-210-039

Parcel(s) 3 of Parcel Map No. 2275, in an unincorporated area of the County of Imperial, as shown by map on file in Book 10 Page(s) 98, of Parcel Maps, Records of Imperial County, California; Excepting therefrom the All-American Canal Right of Way and roads, canals, easements and right(s) of way of record, reserved in that certain deed from John C. Donlevy Co., a corporation, to John C. Donlevy, Jr., et al, dated February 15, 1941 and recorded February 18, 1941 in Book 564, Page(s) 73 of Official Records.

<u>APPENDIX C</u> Preliminary Title Report



PRELIMINARY REPORT

Order Number	:	341069
Title Unit Number	:	7434

Buyer/Borrower Name: :

In response to the above referenced application for a Policy of Title Insurance, Stewart Title of California, Inc. 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 referenced to as an Exception on Schedule B 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 Limits 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.

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 thereto) 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: October 12, 2010 at 7:30 a.m.

Kaz Bernath, Title Officer

When replying, please contact Kaz Bernath, Title Officer

PRELIMINARY REPORT

The form of Policy of Title Insurance contemplated by this report is:

- □ California Land Title Association Standard Coverage Policy
- □ American Land Title Association Owners Policy
- American Land Title Association Residential Title Insurance Policy
- □ American Land Title Association Loan Policy
- CLTA/ALTA Homeowners Policy
- □ ALTA Short Form Residential Loan Policy (06/16/07)
- □ 2006 ALTA Loan Policy

SCHEDULE A

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

A fee as to Parcel(s) A. An easement more particularly described below as to Parcel(s) B.

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

W.R. Connelly, Inc., a California corporation

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Imperial, Unincorporated Area, and described as follows:

Parcel A:

Parcel(s) 2 of Parcel Map No. 2275, in an unincorporated area of the County of Imperial, as shown by map on file in Book 10 Page(s) 98, of Parcel Maps, Records of Imperial County, California.

Parcel B:

Parcel(s) 3 of Parcel Map No. 2275, in an unincorporated area of the County of Imperial, as shown by map on file in Book 10 Page(s) 98, of Parcel Maps, Records of Imperial County, California;

Excepting therefrom the All-American Canal Right of Way and roads, canals, easements and right(s) of way of record, reserved in that certain deed from John C. Donlevy Co., a corporation, to John C. Donlevy, Jr., et al, dated February 15, 1941 and recorded February 18, 1941 in Book 564, Page(s) 73 of Official Records.

(End of Legal Description)

SCHEDULE B

At the date hereof, exceptions to coverage in addition to the printed exceptions and exclusions contained in said policy or policies would be as follows:

Taxes:

A. General and Special City and/or County taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2010 - 2011:

Assessment No.: 052-210-0381st Installment: \$994.86 open 2nd Installment: \$994.86 open

First installment taxes not paid by their delinquency date of December 10th, will be subject to a penalty of an additional 10% of the installment due. Second installment taxes not paid by their delinquency date of April 10th, will be subject to a penalty of an additional 10% of the installment due, plus \$10.00.

B. General and Special City and/or County taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2010 - 2011:

Assessment No.: 052-210-0391st Installment: \$494.53 open 2nd Installment: \$494.53 open

C. A bi-annual water availability assessment, if any, in favor of the Imperial Irrigation District.

Exceptions:

- 1. Water rights, claims or title to water in or under said land, whether or not shown by the public records.
- 2. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (commencing with Section 75) of the revenue and taxation code of the State of California.
- 3. Assessments, if any, for community facility districts affecting said land which may exist by virtue of assessment maps or notices filed by said districts. Said assessments are collected with the County Taxes.
- 4. Said land is located within the boundary of the Imperial Irrigation District.
- 5. Rights or claims of easements for canals, drains, laterals, irrigation pipelines and gates not recorded in the public records.
- 6. Title to, and easements in, any portion of the land lying within any highways, roads, streets, or other ways.

- 7. An easement for road purposes, and rights incidental thereto, in favor of the County of Imperial, as set forth in a document recorded in Book 59, Page(s) 232 of Deeds, affects as described in said document.
- 8. An easement for a power line, and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded July 11, 1938 in Book 477, Page(s) 491 of Official Records, affects as described in said document.
- 9. An easement for canal(s), telephone and/or electric power line(s), and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded February 11, 1943 in Book 599, Page(s) 54 of Official Records, affects as described in said document.
- 10. An easement for domestic water pipe and easements in favor of adjacent landowners for water pipe, and rights incidental thereto, as set forth in a document recorded September 19, 1955 as Instrument No. 13 in Book 919, Page(s) 84 of Official Records, affects as described in said document.
- 11. An agreement to which reference is made for full particulars by and between Imperial Irrigation District and Harold A. Brockman and Dorothy Brockman, recorded October 13, 1955 in Book 921, Page(s) 110 of Official Records.
- 12. An easement for canal(s), telephone and/or electric power line(s), and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded February 26, 1960 as Instrument No. 34 in Book 1044, Page(s) 58 of Official Records, affects as described in said document.
- 13. An easement for transfer and surrender the right of constructing, erecting or installing any structure which ca be used as a residence on the hereindescribed property, from grantor to Imperial County, and rights incidental thereto, in favor of the County of Imperial, as set forth in a document recorded December 29, 1998 as Instrument No. 98-30364 in Book 1959, Page(s) 65 of Official Records, affects as described in said document.
- Covenants and restrictions imposed by a Land Conservation Contract executed pursuant to Section 51200 et. seq. California Government Code, recorded December 31, 2001 as Instrument No. 01-29377 in Book 2099, Page(s) 745 of Official Records.
- 15. Rights of tenants in possession of said land by reason of unrecorded leases. Kindly forward said lease, or a current certified tenant rent roll.
- 16. Any rights of the parties in possession of said land, based on an unrecorded lease, or leases.

This Company will require that a full copy of any unrecorded lease be submitted to us, together with all supplements, assignments and amendments, before issuing any policy of title insurance.

17. This Company will require the following documents, in order to insure a conveyance or encumbrance by the corporation or unincorporated association named below:

Entity: W.R. Connelly, Inc., a California corporation

- (a) A copy of the corporation By-Laws or Articles.
- (b) An original or certified copy of the Resolution authorizing the subject transaction.

(c) If the Articles or By-Laws require approval by a "parent" organization, we will also require a copy of those By-Laws or Articles.

(d) If an unincorporated association, a statement pursuant to applicable law (such as California Corporation Code Section 20002).

The right is reserved to add requirements or additional items after completion of such review.

18. Loss or damage by reason of the improvements, if any, located on the land described herein being declared to be personal property.

(End of Exceptions)

NOTES AND REQUIREMENTS

None

CALIFORNIA "GOOD FUNDS" LAW

California Insurance Code Section 12413.1 regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow account and available for withdrawal prior to disbursement. Funds received by Stewart Title of California, Inc. via wire transfer may be disbursed upon receipt. Funds received via cashier's checks or teller checks drawn on a California Bank may be disbursed on the next business day after the day of deposit. If funds are received by any other means, recording and/or disbursement may be delayed, and you should contact your title or escrow officer. All escrow and sub-escrow funds received will be deposited with other escrow funds in one or more non-interest bearing escrow accounts in a financial institution selected by Stewart Title of California, Inc.. Stewart Title of California, Inc. may receive certain direct or indirect benefits from the financial institution, and Stewart Title of California, Inc. shall have no obligation to account to the depositing party in any manner for the value of, or to pay to such party, any benefit received by Stewart Title of California, Inc.. Such benefits shall be deemed additional compensation to Stewart Title of California, Inc.. Such benefits shall be deemed additional compensation to Stewart Title of California, Inc. for its services in connection with the escrow or sub-escrow.

If any check submitted is dishonored upon presentation for payment, you are authorized to notify all principals and/or their respective agents of such nonpayment.

Wire Instructions

If you anticipate having funds wired to Stewart Title of California, Inc., our wiring information is as follows:

Additional Note: Direct wire transfers to:

Union Bank 1980 Saturn Street Monterey Park, CA 91755

Routing Number: 122000496 Credit to Stewart Title of California, Inc. Sub-Escrow Trust Account Account Number: 9120050750 Reference Order Number: 341069 Title Unit Number: 7434 Title Officer Name: Kaz Bernath

When instructing the financial institution to wire funds, it is very important that you reference Stewart Title of California, Inc.'s order number.

Should you have any questions in this regard please contact your title officer immediately.

4 4STG Privacy Notice 1 (Rev 01/26/09) Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information	Do we share?	Can you limit this sharing?
For our everyday business purposes — to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
For our marketing purposes— to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes — information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and nonfinancial companies. <i>Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company</i>	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness.	No	We don't share
For our affiliates to market to you	Yes	No
For nonaffiliates to market to you. Nonaffiliates are companies not related by common ownership or control. They can be financial and nonfinancial companies.	No	We don't share

We may disclose your personal information to our affiliates or to nonaffiliates as permitted by law. If you request a transaction with a nonaffiliate, such as a third party insurance company, we will disclose your personal information to that nonaffiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

Sharing practices		
How often do the Stewart Title Companies notify me about their practices?	We must notify you about our sharing practices when you request a transaction.	
How do the Stewart Title Companies protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal and state law. These measures include computer, file, and building safeguards.	
How do the Stewart Title Companies collect my personal information?	 We collect your personal information, for example, when you request insurance-related services provide such information to us We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies. 	
What sharing can I limit?	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.	
Contact Us If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056		

EXHIBIT A (Revised 11-17-04)

CLTA PRELIMINARY REPORT FORM (Revised 11-17-06)

SCHEDULE B

CLTA PRELIMINARY REPORT FORM LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990 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 which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims or other matters:

(a) whether or not recorded in the public records at Date of Policy, but 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; or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.

5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which 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, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

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

1. Taxes or assessments which 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.

Proceedings by a public agency which 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 which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.

3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are 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.

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, which arise by reason of:

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10/22/03) ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE 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 ordinances, laws and regulations concerning:

a. building

- b. zoning
- c. Land use
- d. improvements on the Land
- e. Land division
- f. environmental protection

This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.

This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.

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 apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.

- 3. The right to take the Land by condemning it, unless:
 - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
 - b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;

b. that are Known to You at the Policy Date, but not to Us, unless they appear 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.d, 22, 23, 24 or 25.
- 5. Failure to pay value for Your Title.
- 6. Lack of a right:

4

- 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 18.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

* For Covered Risk 14, 15, 16 and 18, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A. The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

Your Dec	Our Maximum Dollar	
Limit of Liability		
Covered Risk 14:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 15:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 16:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 18:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

AMERICAN LAND TITLE ASSOCIATION 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:

- land use
- improvements on the land
- land division
- 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 notice of exercising the right appears in the public records
- on the Policy Date
- 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:
- that are created, allowed, or agreed to by you
- that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records
- that result in no loss to you
- 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:
- to any land outside the area specifically described and referred to in Item 3 of Schedule A
- OR
- in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92) WITH ALTA ENDORSEMENT - FORM 1 COVERAGE

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

(a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy.

- Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at date of policy, but not excluding from coverage any taking which has occurred prior to date of policy which would be binding on the rights of a purchaser for value without knowledge.
- 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 (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to the assessments for street improvements under construction or completed at date of policy); or

(e) resulting in loss or damage, which 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 the insured at date of policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
- 5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which 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 statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to date of policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at date of policy the insured has advanced or is obligated to advance.

- 7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - I. The transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
 - II. The subordination of the interest of the insured mortgagee as a result of the application of the doctrine or equitable subordination; or
 - III. The transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely recorded the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms 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 include the following General Exceptions:

EXCEPTIONS FROM COVERAGE

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

- 1. Taxes or assessments which 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.
- Proceedings by a public agency which 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 which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
- 3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
- 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are 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.

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. 3.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

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 doingbusiness 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).

AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92) EXCLUSIONS FROM COVERAGE

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

- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy. (B) any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy.
- Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at date of policy, but not excluding from coverage any taking which has occurred prior to date of policy which would be binding on the rights of a purchaser for value without knowledge.
 - 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; or

(E) Resulting in loss or damage, which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors rights laws, that is based on:

- I. The transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
- II. The transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (A) To timely record the instrument of transfer; or
 - (B) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms 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 include the following general exceptions:

EXCEPTIONS FROM COVERAGE

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

- 1. Taxes or assessments which 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 proceedings by a public agency which 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 which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
- 3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
- 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are 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.

2006 ALTA OWNER'S POLICY (06-17-06)

3.

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.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01) 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 which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that s notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the Public Records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without Knowledge.

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 (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); or

(e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
 Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the Land is situated.

Invalidity or unenforceability of the lien of the Insured Mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
 Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(e) and 26.

CLTA Preliminary Report Form

7. 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 limit the coverage provided in Covered Risk 8.

8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are Known to the Insured at:

(a) The time of the advance; or

(b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of Interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.

9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.

EXHIBIT "A" LEGAL DESCRIPTION

Order No.: 341069 Escrow No: 341069

The land referred to herein is situated in the State of California, County of Imperial, Unincorporated, and described as follows:

Parcel A:

Parcel(s) 2 of Parcel Map No. 2275, in an unincorporated area of the County of Imperial, as shown by map on file in Book 10 Page(s) 98, of Parcel Maps, Records of Imperial County, California.

Parcel B:

Parcel(s) 3 of Parcel Map No. 2275, in an unincorporated area of the County of Imperial, as shown by map on file in Book 10 Page(s) 98, of Parcel Maps, Records of Imperial County, California;

Excepting therefrom the All-American Canal Right of Way and roads, canals, easements and right(s) of way of record, reserved in that certain deed from John C. Donlevy Co., a corporation, to John C. Donlevy, Jr., et al, dated February 15, 1941 and recorded February 18, 1941 in Book 564, Page(s) 73 of Official Records.

(End of Legal Description)

AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT

Date: October 18, 2010

То:

052-210-038 and 052-210-039 Property: Imperial, California

From: Stewart Title of California, Inc.

This is to give you notice that Stewart Title of California, Inc. ("Stewart Title") has a business relationship with Stewart Solutions, LLC, DBA – Stewart Specialty Insurance Services, LLC ("Stewart Insurance"). Stewart Information Services Corporation owns 100% of Stewart Insurance and Stewart Title of California. Because of this relationship, this referral may provide Stewart Title a financial or other benefit.

Set forth below is the estimated charge or range of charges for the settlement services listed. You are NOT required to use the listed provider(s) as a condition for purchase, sale, or refinance of the subject Property. THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

Stewart Insurance Settlement Service	Charge or range of charges		
Hazard Insurance	\$400.00 to \$6,500.00		
Home Warranty	\$255.00 to \$ 780.00		
Natural Hazard Disclosure Report	\$ 42.50 to 149.50		

ACKNOWLEDGMENT

I/we have read this disclosure form, and understand that Stewart Title is referring me/us to purchase the above-described settlement service(s) and may receive a financial or other benefit as the result of this referral.

Signature

Signature

Order No. 341069

AVAILABLE DISCOUNTS DISCLOSURE STATEMENT

This is to give you notice that Stewart Title of California, Inc. ("Stewart Title") is pleased to inform you that upon proper qualification, there are premium discounts available upon the purchase of title insurance covering improved property with a one to four family residential dwelling.

Such discounts apply to and include:

Property located within an area proclaimed a state or federal disaster area;

Property purchased from a foreclosing beneficiary or successful bidder at a foreclosure sale;

Property being refinanced.

Please talk with your escrow or title officer to determine your qualification for any of these discounts.

<u>APPENDIX D</u> Lands within Agriculture Preserve

APPENDIX D – LANDS WITHIN AGRICULTURE PRESERVE NO. 117





Parcels in Question

Owned by Gus and Jo Ann Connelly

NOTE: All shaded parcels are within the Agriculture Preserve

¼ mi 1∕₂ mi 1 mi



Please complete and attach to Application for Disestablishment or Diminishment.

A separate petition for Cancellation of Contract must be completed for each separate ownership of land to be removed from an agricultural preserve. (A husband and wife, a partnership, a corporation, a trust, or a joint ownership is one owner.)

I, the undersigned, the owner or one of the owners authorized to act on behalf of all owners of land described herein, respectfully petition the Honorable Board of Supervisors of the County of Imperial to withdraw said property <u>APN 059-110-007</u> from Agricultural Preserve No. 159, Contract No. 2003-01, and to cancel the Land Conservation Contract or Agreement dated December 10, 2003, and recorded on December 24, 2003 as Instrument No. 2003-040358 (Book 2267, Page 352) in the Office of the County Recorder of Imperial County, California, as it pertains to said property. I declare under penalty of perjury that the information provided by me in this petition is true and complete to the best of my knowledge.

Owner's Signature:	Date:	12/4/11
Owner's		
Printed Name Jay Phoenix as Irwiter at	Phone:	520749-2229
Owner's Printed Name Jay Phoenix as Jrwtee the Matthew Leander Johnson	Fax:	(+
2147 NEICAMINE RinconAdo		
Theson, A2 85749	Email:	Jehrenix B the river. com

If the above owner is one of the owners, authorized to act on all the owners, attach a copy of the authorization.

AGRICULTURAL PRESERVE PROGRAM PETITION FOR CANCELLATION OF CONTRACT

1. Please list all the names and addresses of all owners as shown on the recorded deed. (If the owner is a corporation, please state the type of corporation, place and date of incorporation, and affix corporate seal to the page.

Joy L. Phoenix Trustee of the Matthew Leander Johnson Trust 2140 North El Camino Rinconado Tucson, AZ 85749

2. If the owner is a partnership, or a corporation, a notarized statement from said partnership or corporation indicating that the petitioner is authorized to act on behalf of the partnership or corporation, must be attached to this Petition for Cancellation of Contract.

n/a

3. Give Name and address of the mortgage holder for this property.

n/a

 Please attach site plan with the general location of the property, including the major crossroads.

See Appendix A

5. Please attach a complete legal description of this property as shown in the deed or the title insurance policy.

See Appendix B

6. Please provide the following information from your property tax bill(s):

Assessor's Parcel Number(s)	Acreage			
059-110-007	159			

7. Attach a statement outlining the proposed alternative land use for this property.

See Appendix C

8. Attach any written evidence establishing the lack of nearby property, not subject to a Land Conservation Contract, which is both available and suitable for the proposed alternative land use.

See Appendix D

9. Attach a statement explaining how the cancellation of this contract will not result in premature conversion of nearby property presently under a Williamson Act Agricultural Preserve Contract.

See Appendix E

10. Attach all required Property Owner's Notification Information and completed Property Owner's Certification.

Page 2 of 2

JM/lh/S:/forms_lists/agricultural preserve program cancellation

Project Site Plan	Appendix A
Legal Description of Property	
Proposed Alternative Land Use Description	Appendix C
Analysis of Nearby Lands	Appendix D
Agricultural Cancellation Findings	Appendix E
Notice of Nonrenewal - Land Conservation Contract	Appendix F

<u>APPENDIX A</u> Project Site Plan



REV No. REVISION DATE



P	REPARED	UNDER	THE	DIRECT	SUPE	RVISION	OF:	PROFESSIONAL ENCIENCE PROFESSIONAL ENCIENCE FREY O CONTRACTOR CONTRACTOR DOP 12-31-12	
	JEFFREY ENGINEER			.E. 31,9	921	DAT	E	CIVIL CIVIL	





CALEXICO SOLAR FARM II PHASE A (89MA) location calexico, ca sheet title overall site plan east client bminutenergy renewables















CALEXICO SOLAR FARM II PHASE A (89MA)^S

LOCATION CALEXICO, CA SHEET TITLE 0&M BUILDING CLIENT 8MINUTENERGY RENEWABLES

SHEET No. 3 BY GMG DATE 3/23/11 JOB # GS1105









CALEXICO SOLAR FARM II PHASE B (89MA)

 LOCATION
 CALEXICO, CA

 SHEET TITLE
 OVERALL SITE PLAN WEST

 CLIENT
 BMINUTENERGY RENEWABLES






CALEXICO SOLAR FARM II PHASE B (89MA) location calexico, ca sheet title o&m building client bminutenergy renewables



<u>APPENDIX B</u> Legal Description of Property

Legal Description of Property

The land referred to herein is situated in the State of California, County of Imperial, and described as follows:

The northeast quarter of Section 17, Township 17 south, Range 14 east, San Bernardino Base and Meridian, County of Imperial, State of California;

Excepting therefrom that portion conveyed to Frontier Agriculture Service, Inc., a California corporation, recorded September 5, 1986 in Book 1565, Page(s) 1578 of Official Records.

<u>APPENDIX C</u>

Proposed Alternative Land Use Description

PROJECT INFORMATION

Project Name: Calexico Solar Farm II

General Location: The project will be located approximately two miles west of Calexico, California in southern Imperial County. The project comprises several agricultural parcels totaling approximately 1,500 acres, generally located between Kubler Road to the north and the US-Mexico border to the south, and between Hammers Road to the east and a private road to the west (½ mile west of Corda Road). The land used by the project is owned by several land owners. Agricultural lands lie to the immediate north, south, east, and west of the project, with the exception of isolated residential and/or commercial structures and a small crop duster airstrip that transects a portion of CSF-II Phase A.

Calexico Solar Farm I comprises two phases (Phase A and Phase B), each requesting approval of a separate CUP.

Assessor's Parcel Numbers:

- Phase A (~940 AC): 059-110-006, 059-110-008, 059-130-003, 059-110-003, 059-110-007
- Phase B (~530 AC): 052-180-043, 052-180-044, 052-180-022, 052-180-050, 052-180-051

Location Map:



Calexico Solar Farm II

Vicinity Map:



DESCRIPTION OF PROPOSED PROJECT

89MA 8ME, LLC and 8minutenergy Renewables LLC (the "Applicant") are seeking approval of two Conditional Use Permits (CUP) from Imperial County for the development of an up to 200 MW Calexico Solar Farm II ("CSF-II") solar farm located west of Calexico (see "Vicinity Map" above). The Applicant plans to develop this project in two phases: Phase A and Phase B, each with a separate CUP, and each intended to generate up to 100 MW. The Applicant further intends for each phase to have its own O&M building and onsite substation.



Project Phases

An interconnection application process for the entire CSF-II project with the California Independent System Operator (CAISO) has been initiated, and a queue position with CAISO has been secured for a total of 200 MW, which will be shared by the two phases of the CSF-II project. The Applicant intends for each CUP application of the project's two phases to produce up to 100 MW. However, each phase and CUP may produce up to 200 MW if the other phase and CUP either does not get built at all or does not get built for its full 100 MW share. The total output of both CUPs and phases combined will not exceed a total of 200 MW in any scenario.

The land requirements of a solar farm can vary significantly depending on the mounting structures used (e.g., fixed-tilt vs. tracking) and the efficiency of the modules selected. In general, on a per-MW basis, less land is required for higher efficiency modules (which may not be available cost effectively at the time of construction) with fixed-tilt mounts than for lower efficiency modules with tracking mounts. Thus, by using high efficiency modules and fixed-tilt mounts, a single phase and CUP of CSF-II could accommodate up to 200 MW itself. It is entirely possible that each phase and CUP ends up with a mix of fixed tilt and/or tracking mounts and different module efficiencies.

Therefore, the Applicant requests the approval of two CUPs for the CSF-II project: one CUP for Phase A, and a second CUP for Phase B. The CUP term requested for each phase and CUP is 40 years. The Applicant proposes to construct, own, operate, and fund the CSF-II project. The The Applicant expects both phases of the CSF-II project to produce power by 2014.

CSF-II's interconnection will occur at the 230 kV side of the SDG&E Imperial Valley (IV) Substation, located approximately 7 miles northwest of the project site. The Applicant intends to interconnect via 230 kV transmission facilities shared with one or more solar projects in the vicinity; several suitable transmission facilities are currently planned in CSF-II's immediate area. CSF-II intends to transfer electrical power from both of its onsite substations (one each on Phase A and Phase B land) to IV Substation via an offsite shared substation and transmission facility constructed, owned, operated, and funded by Mount Signal Solar Farm I (82LV 8me, LLC), which has a Right-of-Way (ROW) application being processed by the Bureau of Land Management (BLM). Alternatively, CSF-II may:

- 1. Build a single onsite substation located in one of CSF-II's phases, which would collect power generated by both phases of CSF-II and transmit that power to IV Substation via the method described above; or
- 2. "Host" a shared substation onsite in one of CSF-II's phases, which c/would receive power from the other phase as well as from another nearby solar project(s). Power would then be transmitted to IV Substation via shared transmission facilities constructed, owned, operated, and funded by a separate legal entity; or
- Utilize the transmission, substation, and/or O&M facilities of another legal entity(ies) other than those of Mount Signal Solar Farm I, such as another neighboring solar project or a Special Purpose Vehicle (SPV) created to accommodate multiple solar projects' shared transmission, substation, and/or O&M facilities.

In the above alternative scenarios, CSF-II's onsite transmission, substation, and/or O&M facilities c/would be reduced or eliminated, and those areas c/would instead by covered with solar panels.

Any necessary authorization or agreement to share facilities would be obtained from the appropriate legal entity(ies) prior to CSF-II's construction.

The Applicant has considered the following in its selection of the CSF-II site for detailed evaluation:

- Land availability (approximately 1,500 acres);
- Zoning (the CSF-II will be sited on land currently zoned "A-2" General Agriculture and "A-2-R" General Agriculture Rural Zone);
- Minimal environmental consequences (CSF-II will be located on disturbed land currently used for agriculture);
- Water availability (no water wells required);
- Primarily (95%+) low production agricultural land (Farmland of Statewide Importance);
- Long-term land lease (25-year lease commencing with entitlements with a 15-year extension for a total of 40 years)

Project Description

Calexico Solar Farm II



Map of CSF-II Photo Locations



#1 Looking SW



#2 Looking NW

Project Description

Calexico Solar Farm II



#3 Looking NE







#7 Looking SE



#4 Looking NE



#6 Looking SE



#8 Looking NW

Project Description

Calexico Solar Farm II



#11 Looking SE



Up to twelve (12) full time employees will operate the entire CSF-II project (split roughly evenly between phases, and between daytime and nighttime shifts). Typically, up to six (6) staff total for both phases combined will work during the day shift (sunrise to sunset), and the remainder during the night shifts and weekend. As noted earlier, it is possible that one phase of CSF-II would simply feed its power to the other phase. In that scenario, CSF-II's phases would share personnel, thereby reducing the staff required for CSF-II as a whole to a total of approximately ten (10) staff. It is also possible that CSF-II would share another legal entity's O&M facilities. In that scenario, CSF-II c/would also share personnel with that legal entity, thereby reducing or eliminating the onsite staff required for CSF-II.

CSF-II will export and sell the generated electricity via the CAISO grid. After the useful life of the project (up to 40 years) the panels will be disassembled from the steel mounting frames and the site restored to its pre-development condition. CSF-II as a whole is planned to generate up to 200 MW AC of electricity during peak daylight hours (up to 100 MW planned for each phase, or up to 200 MW if technology permits or is available; total for CSF-II as a whole would not exceed 200 MW in either case).

CSF-II will utilize non-reflective photovoltaic (PV) panels (or modules) to convert sunlight directly into electricity. Individual panels will be installed on either fixed-tilt or tracker mount systems, which will stand up to 15 feet high (depending on the mount) while either flat or tilted up to approximately 40 degrees from horizontal. The solar array field will be arranged in grids, and each grid will include an inverter container and a pad-mounted transformer near the center. CSF-II will also have several electrical control containers throughout the project. CSF-II as a

whole will require the installation of up to 1.6 million photovoltaic panels to generate up to 200 MW AC (direct current ("DC") nameplate capacity of approximately 264 MW DC). The initial energy production of CSF-II as a whole will be up to approximately 480,000 MWh per year, sufficient to power over 68,000 homes and displacing over 270,000 tons of CO₂ emissions per year when compared to a gas-fired power plant or 540,000 tons when compared to a coal-fired power plant. This displacement of CO₂ emissions is equivalent to planting approximately 11 to 22 million trees or removing approximately 50,000 to 100,000 cars from the roads, respectively.



Fixed-tilt solar panels



Typical fixed-tilt solar panel rows



Typical single-axis tracking solar panels



Typical single-axis tracking solar panel rows



Typical single-axis tracking solar panel rows



Typical azimuth tracking solar panel rows



¹ See Appendix for enlarged version



Project Site Layout – Phase B¹

The Applicant proposes to situate the solar array on agricultural lands generally located between Kubler to the north and the US-Mexico border to the south, and between Hammers Road to the east and a private road to the west (½ mile west of Corda Road). Any Imperial Irrigation District (IID) irrigation canals and drains will remain in place, including maintenance access roads as per IID easements.

The Applicant intends for each phase of CSF-II to have a separate operations and maintenance ("O&M") building (up to approximately 320 square feet each, or 40' x 80' each), with associated parking, which will be constructed near the southeast corner of Weed Road and SR-98 for

¹ See Appendix for enlarged version

Calexico Solar Farm II

Phase A and the northwest corner of Ferrell Road and SR-98 for Phase B (see Site Layout in the Appendix). The O&M buildings will be steel framed, with metal siding and roof panels, painted to match the surrounding setting (desert sand). Each O&M building site will have a septic tank and leach field for wastewater disposal. A water system and small water treatment plant will be placed at each O&M building to provide onsite de-ionized water for panel washing.

Panel washing requires about one quart of water for each panel per month. It is estimated that water demand from the IID canal for panel washing and domestic use will not exceed 80 acrefeet per year for CSF-II as a whole (split between phases roughly in proportion to their respective acreages). A total of approximately 20,000 to 70,000 gallons of water for CSF-II as a whole (split between phases roughly in proportion to their respective acreages) will be stored in steel tank(s) placed above ground onsite at the water treatment area, under a metal shade structure. 10,000 gallons of water for each O&M building will be exclusively dedicated for O&M firefighting purposes, i.e., to protect the O&M building only. The Applicant intends to also order and obtain a portion of the landlords' agricultural water allocations (roughly 8,000 acre-feet) from the IID to irrigate and maintain a cover crop (saltgrass or similar) on the disturbed portions of the CSF-II site; alternatively or in addition, a soil stabilizer may also be used. If a cover crop is used onsite, it is estimated that water usage to maintain that cover crop would be up to approximately 370 acre-feet per year (split between phases roughly in proportion to their respective acreages).





Operations and Maintenance (O&M) Building Area – Phase B

Access to the CSF-II is via existing paved roads (SR-98, Ferrell Road, and Weed Road). The site will be enclosed with a low voltage, 8-foot high enhanced security fence with perimeter landscaping along public roads. The fencing will be screened with neutral colored slats (or similar) along public roads. The fence and landscaping would largely screen the project from view and beautify the project's frontages to ensure that the project would not adversely impact scenic resources or the visual character of the site and its surroundings. Each O&M building's parking lot and access driveway from will be paved (not curbed). The roads, driveways and parking lots will meet the Department of Public Works and Fire/OES Standards as well as those of the Air Pollution Control District. Alternatively, CSF-II may share the cost of a Wildland Type II (or similar) fire truck with other nearby solar projects to permit the fire department access throughout the site. Parking spaces and walkways will be concreted to meet all California Accessibility Regulations.

The solar array areas will have low lying grass and/or a soil stabilizer to control dust and storm water erosion. A small (48"x 96") metal sign will be mounted at the entrances to CSF-II that identifies the project.

As noted earlier, it is possible that one phase of CSF-II would simply feed its power to the other phase. In that scenario, CSF-II's phases would share O&M facilities and would therefore require only one set of O&M facilities (O&M building with associated parking area, water tank(s), dedicated 10,000 gallons of fire-fighting water to protect the O&M building, etc.). The other O&M building area would instead be covered by solar panels. It is also possible that CSF-II would share another legal entity's O&M facilities. In that scenario, CSF-II's own onsite O&M facility needs c/would therefore be reduced or eliminated, and any unused O&M building area depicted in the Site Layout c/would instead be covered by solar panels.

<u>APPENDIX D</u> Analysis of Nearby Lands

The Applicant finds that there is no proximate non-contracted land which is both available and suitable for the use to which it is proposed the contracted land be put. The unique siting requirements of a solar farm limit the number of parcels available and suitable for such use. The siting of solar farm facilities largely is determined by the need to locate: (1) at or very near to existing electrical facilities (including transmission lines), (2) with available transmission capacity in the lines to carry the additional electricity produced, which is a function not only of line capacity but also arrangement of the electrical grid to ensure balanced loads.

The Solar Farm Parcels are uniquely suited to the operation of a photovoltaic solar electricity generating facility. It is close to the Imperial Valley (IV) Substation located on nearby federal land managed by the Bureau of Land Management (BLM). The Solar Farm Parcels will interconnect at IV Substation via a planned 230 kV electrical transmission line located one-and-one-half miles to the west of the Solar Farm Parcels.

The proximity to IV Substation and the planned transmission line in particular limits the difficulty of obtaining easements and the expense of constructing additional transmission line(s). This is important because utility-scale photovoltaic solar energy is at the high-end of the price scale for the range of utility-scale power generation (coal, natural gas, nuclear, solar, wind) and thus it is prudent to minimize additional costs such as extending or adding transmission lines.

Within the one-mile radius of the Solar Farm Parcels, the Solar Farm Parcels are the only parcels properly suited to the Applicant's project objectives. Exhibit "A," attached, shows the one-mile radius around the Solar Farm Parcels. As is clearly visible from the exhibit, the majority of parcels surrounding the Solar Farm Parcels are already tied up for use in planned solar facilities (including the Applicant's proposed project).

Within the Solar Farm Parcels' section (a section is typically approx. 640 acres), all but two parcels (comprising approximately 30 acres) are already being used for the Applicant's proposed solar farm. One of the remaining parcels is currently being used for an existing commercial operation (crop dusting), while the second parcel is owned by a landowner that is not interested in selling or leasing the land for the Applicant's proposed project.

Half of the section to the west of the Solar Farm Parcels is owned by a landowner that is not interested in selling or leasing the land for the Applicant's proposed project. The remaining land is already being used for proposed solar farms (including the Applicant's project).

The entire section to the northwest of the Solar Farm Parcels is already being used for a separate proposed solar farm.

Within the section to the north of the Solar Farm Parcels, all but two parcels (comprising approximately 55 acres) are owned by a landowner that is not interested in selling or leasing the land for the Applicant's proposed project. Both of the remaining parcels are unsuitable for solar projects given the large wash and native vegetation that occupy the entirety of both parcels.

Within the section to the north of the Solar Farm Parcels, all but four parcels (comprising approximately 120 acres) are owned by landowners that are not interested in selling or leasing their land for the Applicant's proposed project. Two of the remaining parcels are unsuitable for solar projects given the large wash and native vegetation that occupies the entirety of both parcels; the third parcel is unsuitable given its narrow, non-rectangular shape and its location

adjacent to the previously mentioned wash; and the fourth parcel is unsuitable given that it is insufficient in size to accommodate a solar facility of the scale proposed by the Applicant.

The entire section to the east of the Solar Farm Parcels is comprised of land that falls within the City of Calexico's sphere of influence.

Similarly, the entire section to the southeast of the Solar Farm Parcels, located adjacent the US-Mexico border, is comprised of land that falls within the City of Calexico's sphere of influence.

The entire section to the south of the Solar Farm Parcels is comprised of land already being used for the Applicant's proposed solar farm.

Similarly, the entire section to the southwest of the Solar Farm Parcels is comprised of land already being used for a separate proposed solar farm.

APPENDIX D, EXHIBIT A – LANDS PROXIMATE TO PROJECT SITE





<u>APPENDIX E</u>

Agricultural Cancellation Findings

Cancellation is not likely to result in the removal of adjacent lands from agricultural use.

Cancellation is not likely to result in the removal of adjacent lands from agricultural use because the proposed use is a solar farm. Typically cancellation of Williamson act contract in an area may result in the removal of adjacent lands if the proposed use for the property is an incompatible use or is a use that encourages leap frog development. The types of development projects that in other parts of the state have resulted in the removal of adjacent lands from agricultural use have included traditional residential and commercial development. Solar farms unlike typical residential or commercial development projects do not encourage the premature removal of adjacent lands because solar farms, as part of their approval and development, generally do not involve the construction of backbone infrastructure (water and sewer) that would accelerate or encourage leap frog development. Additionally, the cancellation is unlikely to be the cause of the removal of additional property from agricultural use because:

- Agricultural operations in the County of Imperial have occurred in parcels of land with or without agricultural contracts regardless of whether those parcels are located within or outside of an agricultural preserve. Therefore, the cancellation of this contract is not likely to result in the removal of adjacent lands from agricultural use.
- Backbone Infrastructure (water and sewer) is not being proposed nor is required as part of this solar farm development project.
- Locating the solar farm within the agricultural property could be found to be a compatible
 use in the agricultural preserve and county as a whole. More specifically, the state
 department of conservation has indicated that in some instances counties like County of
 Imperial may determine that the solar farm to be a compatible use with the underlying
 agricultural use. The County of Imperial could make this analysis whether the proposed
 solar farm significantly interferes with the underlying county wide agricultural operation.
- Locating the solar farm in this area would not significantly interfere with the countywide agricultural operations. More specifically, the removal of this land from agricultural productions would represent approximately 0.25% of the total amount of land devoted to agricultural production in the County. The removal of this land is not likely to result in the removal of adjacent lands from agricultural use.

For the above-stated reasons, the cancellation of the contract for this property will not result in the removal of adjacent lands from agricultural use.

<u>APPENDIX F</u>

Notice of Nonrenewal – Land Conservation Contract

Recoding Requested by:

IMPERIAL COUNTY BOARD OF SUPERVISORS El Centro, California

Return To:

Clerk of the Board County Administration Building Recorded without fee under GCS 27383

Recorded in Official Records, Importal County			11/10/2010		
Dolores Provencio County Clerk / Recorder				3:53 PN IV	
IMP (county of Imperial				
Dac#:	2010-028534	Titles:	1	Pages:	2

		r .
- 111 111 1 1 1 1 1	I BA A DA DA A SA BARAN A KANA KANA KANGA KAN	n
- hi i h iddilliai		ľ
DIA I DOLETION (#)	3 N N N W DY M N Y M N N M EXT A D N N N N M N N N M N N N N N N N N N N	1

Titles: 1	Pages:
Fees	0.00
Taxes	0.00
Other	0.00
PAID	\$0.00

2

NOTICE OF NONRENEWAL LAND CONSERVATION CONTRACT (WILLIAMSON ACT)

JOHNSON JAY LEANNE TRUSTEE Preserve #159 Contract #2003-001 Document #BK 2267, PG 352 APN (s) 059-110-007-001

Pursuant to provisions of Section 51245 of the California Government Code, notice is hereby given that there is on file with Imperial County Clerk of the Board a Notice of Nonrenewal of land included in the California Land Conservation Contract (Williamson Act) originally executed between the County of Imperial and MATTHEW LEANDER JOHNSON TRUST, JOY L. PHOENIX AKA JOY L. JOHNSON TRUSTEE on 12/10/2003 as Document #BK 2267, PG 352 of the Official Records of the County of Imperial and recorded on 12/24/2003 and conveyed to

> JOHNSON JAY LEANNE TRUSTEE 2140 EL CAMINO RINCONADO TUCSON, AZ 85749

on October 20, 2010. The contract on the aforementioned land, (APN 059-110-007-001) therefore, will terminate on 12/31/2019

October 20, 2010 Date

Louis Fuentes Chairman Imperial County Board of Supervisors

CC: Department of Conservation Ralph Cordova, County Executive Office Michael Rood, County Counsel Roy Buckner, Assessor

C:Documents and SettingsikatherinetumeriLocal SettingsiTemporary Internet FilesiContent.OutlookiJ58B9SQEWOTICE OF NONRENEWAL (2010 WA).docx

ALL PURPOSE ACKNOWLEDGEMENT

29.00

Preserve #159 Contract #2003-001 APN (s) 059-110-007-001 STATE OF CALIFORNIA BOARD OF SUPERVISORS COUNTY OF IMPERIAL

On <u>October 20, 2010</u> before me, <u>Sylvia Bermudez, Clerk of the Board of</u> <u>Supervisors</u> personally appeared <u>Louis A. Fuentes</u> who proved to me on the basis of satisfactory evidence to be the <u>person(s)</u> whose <u>name(s)</u> <u>is</u>/are subscribed to the within instrument and acknowledged to me that <u>he</u>/she/they executed the same in <u>his</u>/her/their authorized <u>capacity(ies)</u> and that by <u>his</u>/her/their signature(s) on the instrument the <u>person(s)</u> or the entity upon behalf of which the <u>person(s)</u> acted, executed the instrument.

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

WITNESS my hand and official seal:



Sylvia Bermudez, Clerk of the Board County of Imperial, State of California

IMPERIAL COUNTY PLANNING & DEVELOPMENT SERVICES DEPARTMENT

AGRICULTURAL PRESERVE PROGRAM APPLICATION FOR DISESTABLISHMENT OR DIMINISHMENT OF AN AGRICULTURAL PRESERVE

INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED

CASE NUMBER

DATE SUBMITTED:

APPLICATION INFORMATION

APPLICANT OWNERS NAME			PHONE	
89MA 8ME LLC			(213) 281-9771	
MAILING ADDRESS	CITY	STATE	ZIP CODE	
10100 Santa Monica Boulevard, Suite 300	Los Angeles	CA	90067	
PROPERTY OWNERS NAME			PHONE	
Joy L. Phoenix (Trustee of Matthew Leander Johnson Trust)			(520) 749-2229	
MAILING ADDRESS (street / p.o.)	CITY	STATE	ZIP CODE	
2140 North El Camino Rinconado	Tucson	AZ	85749	
ENGINEERS NAME	CAL. LICENSE NO		PHONE	
Jeffrey O. Lyon	RCE31921		(760) 337-1100	
MAILING ADDRESS (street / p.o.)	CITY	STATE	ZIP CODE	
780 North 4 th Street	El Centro	CA	92243	

If the property is owned by more than one person, attach a separate page that reference the application case number and lists the names, mailing addresses, and phone numbers of all persons having an interest in the real property or properties involved in this application.

The Planning & Development Services Department will primarily direct communications regarding this application to the person identified above as the Applicant. The Applicant may be the property owner, representative, or other assigned agent.

Fees collected in excess of the actual cost of providing specific services will be refunded. If additional funds are needed to complete the processing of your application, you will be billed, and processing of the application will cease until the outstanding balance is paid and sufficient funds are available to continue the processing of the application. The applicant understands the deposit fee process as described above, and that there will be NO refund of fees which have been expended as part of the application review or other related activities or services, even if the application is withdrawn or the application is ultimately denied.

I / WE CERTIFY THAT I AM / WE ARE THE OWNER(S) OF RECORD AND THE INFORMATION SUPPLIED INFORMATION, TO THE BEST OF MY KNOWLEDGE, IS TRUE AND CORRECT.

LEANT JOHNSA TINT Print Name

SIGNATURE OF PROPERTY OWNER

SIGNATURE OF PROPERTY OWNER

Thomas Buttgenbach Print Name

SIGNATURE OF APPLICANT

AUTHORITY FOR THIS APPLICATION IS HEREBY GIVEN:

If the subject property is owned by persons who have not signed as owners above, attach a separate sheet that references the application case number and lists the printed names and signatures of all persons having an interest in the property. Additionally, an authorized agent must submit a letter from the owner(s) indicating authority to sign the application on the owner's behalf. <u>All signatures must be originals ("wet-signed")</u>. Photocopies of signatures are not acceptable.

PROPERTY INFORMATION:

TBD	
ASSESSORS PARCEL NO.	SIZE OF PROPERTY (in gross acres)
059-110-007	159 acres
LEGAL DESCRIPTION (attach separa	te sheet if necessary)

GENERAL LOCATION (CROSS STREETS) Bounded by a private road to the west, Highway 98 to the north, Hammers Road to the east, and a private road to the south.

PROJECT INFORMATION:

Purpose of Request (Check one):

___X__Disestablishment (Termination of entire Agricultural Preserve)

___Diminishment (Removal of a portion of the land in an Agricultural Preserve).

Name or Number of the affected Agricultural Preserve: No. 159

Number of Petitions for Cancellation of Contract attached: 1

Has a Notice of Nonrenewal been served on the land involved in this application? Yes_X____No____

If yes, state the date(s) of said Notice of Nonrenewal served: December 19, 2005

Related cases filed in conjunction with this request: None

ADDITIONAL INSTRUCTIONS:

- A. Attach a Petition for Cancellation of Contract for each separate ownership of land involved in this application. (A husband and wife, partnership, a corporation, a trust, or a joint ownership is considered one owner.)
- B. If the landowner is a successor-in-interest to the owner who executed the Land Conservation Contract with the County of Imperial, the application must be accomplished with proof of ownership, such as a copy of a deed or title insurance policy.
- C. Attach a map of the land affected by this application showing the properties belonging to the separate ownerships.
- D. Enclose the appropriate deposit-based filing fee for each Disestablishment or Diminishment application, and for each Petition of Cancellation of Contract. (Please make checks or money orders payable to the "County of Imperial.")
- E. Please note that payment of an Environmental Assessment deposit-based fee will be required for this application at the time of submittal, and no Land Conservation Contract can be cancelled until all provisions of the California Environmental Quality Act have been satisfied.
- F. Attach all required applications for the proposed alternative land uses for this property, and all applicable deposit-based fees.

JM/S:FORMS/agricultural preserve program disestablishment application

Owner's Request for Williamson Act Cancellation and Affidavit	Appendix A
Legal Description of Property	Appendix B
Preliminary Title Report.	Appendix C
Lands within Agriculture Preserve	Appendix D

<u>APPENDIX A</u>

Owner's Request for Williamson Act Cancellation and Affidavit

OWNER'S REQUEST TO THE COUNTY OF IMPERIAL FOR CANCELLATION OF WILLIAMSON ACT CONTRACT & AFFIDAVIT

The undersigned owner of that certain land commonly known as Assessor's Parcel Number (APN) 059-110-007 (the "Land") requests, and petitions for, the cancellation of that certain Land Conservation Contract between owner and the County of Imperial recorded December 24, 2003 as Instrument No. 2003-040358 of the Official Records of Imperial County which covers the aforementioned APNs.

Such request is made pursuant to Government Code Section 51281 and we request that a petition for such cancellation be made to the County Board of Supervisors as contemplated in Government Code Section 51282 with a finding that cancellation is in the public interest.

Permission is hereby granted to 8Minutenergy Renewables, LLC (and its affiliated company 89MA 8ME, LLC), to take all measures necessary to apply for and complete the request/petition for cancellation of the aforementioned Land Conservation Contract imposed on the Land pursuant to Section 51200 et seq. California Government Code

ØWNER (SIGNATURE) Joy Phyenix as Trutee of the WNER (TYPED OR PRINT) Matthew Leander John Son Trust OWNER (TYPED OR PRINT) 2140 N El Canine Rinconado **OWNER'S ADDRESS** 13m 42 85749 1014/11 DATE

STATE	OF CA	LIFORNIA 4 C		
COUNT	Y OF	Pima	} S.S.	
On		1014/11	/	before me,
YOL	18	ANNE PHO.	ENIX	, personally appeared
				who proved to me on the basis of

satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.



Signature _

ATTENTION NOTARY Although the Information requested below is OPTIONAL, it could prevent fraudulent attachment of this certificate to unauthorized document.

Title or Type of Document		
Number of Pages	Date of Document	
Signer(s) Other Than Named	Above	

<u>APPENDIX B</u> Legal Description of Property

Legal Description of Property

The land referred to herein is situated in the State of California, County of Imperial, and described as follows:

The northeast quarter of Section 17, Township 17 south, Range 14 east, San Bernardino Base and Meridian, County of Imperial, State of California;

Excepting therefrom that portion conveyed to Frontier Agriculture Service, Inc., a California corporation, recorded September 5, 1986 in Book 1565, Page(s) 1578 of Official Records.

<u>APPENDIX C</u> Preliminary Title Report



PRELIMINARY REPORT

Order Number	:	341058
Title Unit Number	:	7434

Buyer/Borrower Name: :

In response to the above referenced application for a Policy of Title Insurance, Stewart Title of California, Inc. 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 referenced to as an Exception on Schedule B 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 Limits 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.

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 thereto) 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: October 15, 2010 at 7:30 a.m.

Kaz Bernath, Title Officer

When replying, please contact Kaz Bernath, Title Officer
PRELIMINARY REPORT

The form of Policy of Title Insurance contemplated by this report is:

- □ California Land Title Association Standard Coverage Policy
- □ American Land Title Association Owners Policy
- American Land Title Association Residential Title Insurance Policy
- American Land Title Association Loan Policy
- CLTA/ALTA Homeowners Policy
- □ ALTA Short Form Residential Loan Policy (06/16/07)

□ 2006 ALTA Loan Policy

SCHEDULE A

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

Fee

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

Joy Leanne Johnson, as Trustee for Matthew Leander Johnson, the beneficiary under the Trust Agreement dated June 28, 1989, between Grantor or Trustor and Joy Leanne Johnson, as Trustee

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Imperial, and described as follows:

The northeast quarter of Section 17, Township 17 south, Range 14 east, San Bernardino Base and Meridian, County of Imperial, State of California;

Excepting therefrom that portion conveyed to Frontier Agriculture Service, Inc., a California corporation, recorded September 5, 1986 in Book 1565, Page(s) 1578 of Official Records.

(End of Legal Description)

SCHEDULE B

At the date hereof, exceptions to coverage in addition to the printed exceptions and exclusions contained in said policy or policies would be as follows:

Taxes:

A. General and Special City and/or County taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2010 – 2011:

Assessment No.: 059-110-007 1st Installment: \$1,867.11 2nd Installment: \$1,867.11

First installment taxes not paid by their delinquency date of December 10th, will be subject to a penalty of an additional 10% of the installment due. Second installment taxes not paid by their delinquency date of April 10th, will be subject to a penalty of an additional 10% of the installment due, plus \$10.00.

B. A bi-annual water availability assessment, if any, in favor of the Imperial Irrigation District.

Exceptions:

- 1. Water rights, claims or title to water in or under said land, whether or not shown by the public records.
- 2. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (commencing with Section 75) of the revenue and taxation code of the State of California.
- 3. Assessments, if any, for community facility districts affecting said land which may exist by virtue of assessment maps or notices filed by said districts. Said assessments are collected with the County Taxes.
- 4. Said land is located within the boundary of the Imperial Irrigation District.
- 5. Rights or claims of easements for canals, drains, laterals, irrigation pipelines and gates not recorded in the public records.
- 6. Title to, and easements in, any portion of the land lying within any highways, roads, streets, or other ways.
- 7. Easements as shown and/or dedicated upon the Map, recorded in Book 59 Page 11, in the Office of the County Recorder of Imperial County, easement purpose is Brockman Drain.
- 8. Reservations and exceptions contained in the patent recorded November 19, 1908 in Book 2, Page(s) 28 of Patents.

- 9. An easement for public road, and rights incidental thereto, as set forth in a document recorded December 24, 1909 in Book 48, Page(s) 30 of Deeds, affects as described in said document.
- 10. The matters contained in an instrument entitled "Agreement for Pipe Service" upon the terms therein provided recorded in Book 1010, Page(s) 615, dated November 19, 1958.

(Affects Wisteria Canal-west bank-15' south of Highway 98)

11. Terms and provisions of a lease executed by Harold Johnson, Ole Johnson, Rex Drysdale, Harold Johnson, Trustee and Johnson-Drysdale Land and Cattle Co., a California corporation, as lessor, and United Fruit Produce, Inc., a California corporation, as lessee as disclosed by an instrument recorded June 30, 1969 in Book 1280, Page(s) 357 of Official Records.

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

12. The matters contained in an instrument entitled "Permit" upon the terms therein provided recorded April 23, 1981 in Book 1468, Page(s) 472 of Official Records, dated August 3, 1980.

The matters contained in an instrument entitled "Assignment and Assumption Agreement" upon the terms therein provided recorded November 22, 1991 as Instrument No. 91-21968 of Official Records.

The matters contained in an instrument entitled "Consent to Amendment and Assignment of Permit" upon the terms therein provided recorded December 26, 1991 as Instrument No. 91-23939 of Official Records.

- 13. An easement for public highway, and rights incidental thereto, in favor of the County of Imperial, as set forth in a document recorded June 10, 1985 in Book 1542, Page(s) 88 of Official Records, affects as described in said document.
- 14. An easement for public highway, and rights incidental thereto, in favor of the County of Imperial, as set forth in a document recorded June 10, 1985 in Book 1542, Page(s) 92 of Official Records, affects as described in said document.
- 15. A Grant Deed recorded July 12, 1989 as Instrument No. 89-11146 of Official Records, describes improvements on property as:

Parcel 1: (Airplane Landing Strip) – The west 42' of the northeast quarter of Section 17, Township 17 south, Range 14 east, San Bernardino Base and Meridian, County of Imperial, State of California.

Parcel 2: (Machine Shop) – The north 252' of the east 278' of the northeast quarter of Section 17, Township 17 south, Range 14 east, San Bernardino Base and Meridian, County of Imperial, State of California.

 Covenants and restrictions imposed by a Land Conservation Contract executed pursuant to Section 51200 et. seq. California Government Code, recorded December 24, 2003 as Instrument No. 03-40358 of Official Records.

The matters contained in an instrument entitled "Notice of Non-Renewal of Land Conservation Contract No. 2003-001 of Preserve No. 159" upon the terms therein provided recorded December 27, 2005 as Instrument No. 05-53327 of Official Records.

- 17. Any invalidity or defect in the title of the vestees in the event that the trust referred to in the vesting portion of Schedule A is invalid or fails to grant sufficient powers to the trustee(s) or in the event there is a lack of compliance with the terms and provisions of the trust instrument.
- 18. Rights or claims of parties in possession and easements or claims of easements not shown by the public records, boundary line disputes overlaps, encroachments, and any matters not of record, which would be disclosed by an accurate survey, and inspection of the land.
- 19. Rights of tenants in possession as tenants only under unrecorded leases.
- 20. Loss or damage by reason of the improvements, if any, located on the land described herein being declared to be personal property.
- 21. Please be advised that our search did not disclose any open deeds of trust of record. If you should have knowledge of any outstanding obligation, please contact your title officer immediately for further review.

(End of Exceptions)

NOTES AND REQUIREMENTS

None

CALIFORNIA "GOOD FUNDS" LAW

California Insurance Code Section 12413.1 regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow account and available for withdrawal prior to disbursement. Funds received by Stewart Title of California, Inc. via wire transfer may be disbursed upon receipt. Funds received via cashier's checks or teller checks drawn on a California Bank may be disbursed on the next business day after the day of deposit. If funds are received by any other means, recording and/or disbursement may be delayed, and you should contact your title or escrow officer. All escrow and sub-escrow funds received will be deposited with other escrow funds in one or more non-interest bearing escrow accounts in a financial institution selected by Stewart Title of California, Inc.. Stewart Title of California, Inc. may receive certain direct or indirect benefits from the financial institution, and Stewart Title of California, Inc. shall have no obligation to account to the depositing party in any manner for the value of, or to pay to such party, any benefit received by Stewart Title of California, Inc.. Such benefits shall be deemed additional compensation to Stewart Title of California, Inc.. Such benefits shall be deemed additional compensation to Stewart Title of California, Inc. for its services in connection with the escrow or sub-escrow.

If any check submitted is dishonored upon presentation for payment, you are authorized to notify all principals and/or their respective agents of such nonpayment.

Wire Instructions

If you anticipate having funds wired to Stewart Title of California, Inc., our wiring information is as follows:

Additional Note: Direct wire transfers to:

Union Bank 1980 Saturn Street Monterey Park, CA 91755

Routing Number: 122000496 Credit to Stewart Title of California, Inc. Sub-Escrow Trust Account Account Number: 9120050750 Reference Order Number: 341058 Title Unit Number: 7434 Title Officer Name: Kaz Bernath

When instructing the financial institution to wire funds, it is very important that you reference Stewart Title of California, Inc.'s order number.

Should you have any questions in this regard please contact your title officer immediately.

4 4STG Privacy Notice 1 (Rev 01/26/09) Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information	Do we share?	Can you limit this sharing?
For our everyday business purposes — to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
For our marketing purposes— to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes — information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and nonfinancial companies. <i>Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company</i>	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness.	No	We don't share
For our affiliates to market to you	Yes	No
For nonaffiliates to market to you. Nonaffiliates are companies not related by common ownership or control. They can be financial and nonfinancial companies.	No	We don't share

We may disclose your personal information to our affiliates or to nonaffiliates as permitted by law. If you request a transaction with a nonaffiliate, such as a third party insurance company, we will disclose your personal information to that nonaffiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

Sharing practices			
How often do the Stewart Title Companies notify me about their practices?	We must notify you about our sharing practices when you request a transaction.		
How do the Stewart Title Companies protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal and state law. These measures include computer, file, and building safeguards.		
How do the Stewart Title Companies collect my personal information?	 We collect your personal information, for example, when you request insurance-related services provide such information to us We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies. 		
What sharing can I limit?	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.		
Contact Us If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056			

EXHIBIT A (Revised 11-17-04)

CLTA PRELIMINARY REPORT FORM (Revised 11-17-06)

SCHEDULE B

CLTA PRELIMINARY REPORT FORM LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990 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 which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims or other matters:

(a) whether or not recorded in the public records at Date of Policy, but 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; or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.

5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which 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, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

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

1. Taxes or assessments which 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.

Proceedings by a public agency which 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 which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.

3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are 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.

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, which arise by reason of:

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10/22/03) ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE 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 ordinances, laws and regulations concerning:

a. building

- b. zoning
- c. Land use
- d. improvements on the Land
- e. Land division
- f. environmental protection

This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.

This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.

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 apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.

- 3. The right to take the Land by condemning it, unless:
 - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
 - b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;

b. that are Known to You at the Policy Date, but not to Us, unless they appear 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.d, 22, 23, 24 or 25.
- 5. Failure to pay value for Your Title.
- 6. Lack of a right:

4

- 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 18.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

* For Covered Risk 14, 15, 16 and 18, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A. The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

Your Dec	Our Maximum Dollar	
Limit of Liability		
Covered Risk 14:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 15:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 16:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 18:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

AMERICAN LAND TITLE ASSOCIATION 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:

- land use
- improvements on the land
- land division
- 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 notice of exercising the right appears in the public records
- on the Policy Date
- 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:
- that are created, allowed, or agreed to by you
- that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records
- that result in no loss to you
- 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:
- to any land outside the area specifically described and referred to in Item 3 of Schedule A
- OR
- in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92) WITH ALTA ENDORSEMENT - FORM 1 COVERAGE

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

(a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy.

- Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at date of policy, but not excluding from coverage any taking which has occurred prior to date of policy which would be binding on the rights of a purchaser for value without knowledge.
- 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 (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to the assessments for street improvements under construction or completed at date of policy); or

(e) resulting in loss or damage, which 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 the insured at date of policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
- 5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which 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 statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to date of policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at date of policy the insured has advanced or is obligated to advance.

- 7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - I. The transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
 - II. The subordination of the interest of the insured mortgagee as a result of the application of the doctrine or equitable subordination; or
 - III. The transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely recorded the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms 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 include the following General Exceptions:

EXCEPTIONS FROM COVERAGE

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

- 1. Taxes or assessments which 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.
- Proceedings by a public agency which 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 which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
- 3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
- 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are 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.

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. 3.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

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 doingbusiness 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).

AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92) EXCLUSIONS FROM COVERAGE

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

- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy. (B) any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy.
- Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at date of policy, but not excluding from coverage any taking which has occurred prior to date of policy which would be binding on the rights of a purchaser for value without knowledge.
 - 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; or

(E) Resulting in loss or damage, which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors rights laws, that is based on:

- I. The transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
- II. The transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (A) To timely record the instrument of transfer; or
 - (B) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms 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 include the following general exceptions:

EXCEPTIONS FROM COVERAGE

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

- 1. Taxes or assessments which 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 proceedings by a public agency which 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 which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
- 3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
- 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are 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.

2006 ALTA OWNER'S POLICY (06-17-06)

3.

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.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01) 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 which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that s notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the Public Records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without Knowledge.

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 (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); or

(e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
 Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the Land is situated.

Invalidity or unenforceability of the lien of the Insured Mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
 Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(e) and 26.

CLTA Preliminary Report Form

7. 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 limit the coverage provided in Covered Risk 8.

8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are Known to the Insured at:

(a) The time of the advance; or

(b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of Interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.

9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.

EXHIBIT "A" LEGAL DESCRIPTION

Order No.: 341058 Escrow No: 341058

The land referred to herein is situated in the State of California, County of Imperial, and described as follows:

The northeast quarter of Section 17, Township 17 south, Range 14 east, San Bernardino Base and Meridian, County of Imperial, State of California;

Excepting therefrom that portion conveyed to Frontier Agriculture Service, Inc., a California corporation, recorded September 5, 1986 in Book 1565, Page(s) 1578 of Official Records.

(End of Legal Description)

AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT

Date: October 20, 2010

To :

Property: 059-110-007

From: Stewart Title of California, Inc.

This is to give you notice that Stewart Title of California, Inc. ("Stewart Title") has a business relationship with Stewart Solutions, LLC, DBA – Stewart Specialty Insurance Services, LLC ("Stewart Insurance"). Stewart Information Services Corporation owns 100% of Stewart Insurance and Stewart Title of California. Because of this relationship, this referral may provide Stewart Title a financial or other benefit.

Set forth below is the estimated charge or range of charges for the settlement services listed. You are NOT required to use the listed provider(s) as a condition for purchase, sale, or refinance of the subject Property. THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

Stewart Insurance Settlement Service	Charge or range of charges
Hazard Insurance	\$400.00 to \$6,500.00
Home Warranty	\$255.00 to \$ 780.00
Natural Hazard Disclosure Report	\$ 42.50 to 149.50

ACKNOWLEDGMENT

I/we have read this disclosure form, and understand that Stewart Title is referring me/us to purchase the above-described settlement service(s) and may receive a financial or other benefit as the result of this referral.

Signature

Signature

Order No. 341058

AVAILABLE DISCOUNTS DISCLOSURE STATEMENT

This is to give you notice that Stewart Title of California, Inc. ("Stewart Title") is pleased to inform you that upon proper qualification, there are premium discounts available upon the purchase of title insurance covering improved property with a one to four family residential dwelling.

Such discounts apply to and include:

Property located within an area proclaimed a state or federal disaster area;

Property purchased from a foreclosing beneficiary or successful bidder at a foreclosure sale;

Property being refinanced.

Please talk with your escrow or title officer to determine your qualification for any of these discounts.

<u>APPENDIX D</u> Lands within Agriculture Preserve

APPENDIX D – LANDS WITHIN AGRICULTURE PRESERVE NO. 159





公 North

> Owned by Joy L. Phoenix (Trustee of Matthew Leander Johnson Trust)

NOTE: All shaded parcels are within the Agriculture Preserve



Please complete and attach to Application for Disestablishment or Diminishment.

A separate petition for Cancellation of Contract must be completed for each separate ownership of land to be removed from an agricultural preserve. (A husband and wife, a partnership, a corporation, a trust, or a joint ownership is one owner.)

I, the undersigned, the owner or one of the owners authorized to act on behalf of all owners of land described herein, respectfully petition the Honorable Board of Supervisors of the County of Imperial to withdraw said property <u>APNs 052-180-022, 052-180-050, 052-180-051</u> from Agricultural Preserve No. 160, Contract No. 2003-03, and to cancel the Land Conservation Contract or Agreement dated December 10, 2003, and recorded on December 24, 2003 as Instrument No. 2003-040361 (Book 2267, Page 376) in the Office of the County Recorder of Imperial County, California, as it pertains to said property. I declare under penalty of perjury that the information provided by me in this petition is true and complete to the best of my knowledge.

	\square		
Owner's Signature:	Here -	Date:	<u> ~]+ </u> 11
Owner's Printed Name	Joy Phrenip	Phone:	520 749 2229
Owner's Address	21YONEL CAMINO RINGMAA	Fax:	
	Theson, A2 85749	Email:	jphvenipothe Fiver. um

If the above owner is one of the owners, authorized to act on all the owners, attach a copy of the authorization.

AGRICULTURAL PRESERVE PROGRAM PETITION FOR CANCELLATION OF CONTRACT

1. Please list all the names and addresses of all owners as shown on the recorded deed. (If the owner is a corporation, please state the type of corporation, place and date of incorporation, and affix corporate seal to the page.

Joy L. Phoenix Trustee of the Joy L. Phoenix Living Trust 2140 North El Camino Rinconado Tucson, AZ 85749

2. If the owner is a partnership, or a corporation, a notarized statement from said partnership or corporation indicating that the petitioner is authorized to act on behalf of the partnership or corporation, must be attached to this Petition for Cancellation of Contract.

n/a

3. Give Name and address of the mortgage holder for this property.

Alice M. Johnson 5990 Camino de la Cost La Jolla, CA 92037

 Please attach site plan with the general location of the property, including the major crossroads.

See Appendix A

5. Please attach a complete legal description of this property as shown in the deed or the title insurance policy.

See Appendix B

6. Please provide the following information from your property tax bill(s):

Assessor's Parcel Number(s)	Acreage		
052-180-022	43.2		
052-180-050	46.1		
052-180-051	89.4		

7. Attach a statement outlining the proposed alternative land use for this property.

See Appendix C

8. Attach any written evidence establishing the lack of nearby property, not subject to a Land Conservation Contract, which is both available and suitable for the proposed alternative land use.

See Appendix D

9. Attach a statement explaining how the cancellation of this contract will not result in premature conversion of nearby property presently under a Williamson Act Agricultural Preserve Contract.

See Appendix E

10. Attach all required Property Owner's Notification Information and completed Property Owner's Certification.

Page 2 of 2

JM/lh/S:/forms_lists/agricultural preserve program cancellation

Project Site Plan	Appendix A
Legal Description of Property	
Proposed Alternative Land Use Description	
Analysis of Nearby Lands	Appendix D
Agricultural Cancellation Findings	Appendix E
Notice of Nonrenewal – Land Conservation Contract	

<u>APPENDIX A</u> Project Site Plan



REV No. REVISION DATE



F	PREPARED	UNDER	THE	DIRECT	SUPE	RVISION	OF:	RE 31,921 2 W RE 31,921 2 EVP 12-31-12
	JEFFREY ENGINEER			.E. 31,9	921	DA	TE	CIVIL FIF OF CALIFORNIA





CALEXICO SOLAR FARM II PHASE A (89MA) location calexico, ca sheet title overall site plan east client bminutenergy renewables















CALEXICO SOLAR FARM II PHASE A (89MA)^S

LOCATION CALEXICO, CA SHEET TITLE 0&M BUILDING CLIENT 8MINUTENERGY RENEWABLES

SHEET No. 3 BY GMG DATE 3/23/11 JOB # GS1105









CALEXICO SOLAR FARM II PHASE B (89MA)

 LOCATION
 CALEXICO, CA

 SHEET TITLE
 OVERALL SITE PLAN WEST

 CLIENT
 BMINUTENERGY RENEWABLES







CALEXICO SOLAR FARM II PHASE B (89MA) location calexico, ca sheet title o&m building client bminutenergy renewables



<u>APPENDIX B</u> Legal Description of Property

Legal Description of Property

The land referred to herein is situated in the State of California, County of Imperial, and described as follows:

05-180-022

The northwest quarter of the southeast quarter of Section 12, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the official plat thereof.

052-180-050

The northeast quarter of the southeast quarter of Section 12, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the official plat thereof. Said land is also shown on map recorded in Book 8, Page(s) 45 of Licensed Surveyors Maps.

052-180-051

The south half of the southeast quarter of Section 12, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the official plat thereof. Said land is also shown on map recorded in Book 8, Page(s) 45 of Licensed Surveyors Maps.

<u>APPENDIX C</u>

Proposed Alternative Land Use Description

PROJECT INFORMATION

Project Name: Calexico Solar Farm II

General Location: The project will be located approximately two miles west of Calexico, California in southern Imperial County. The project comprises several agricultural parcels totaling approximately 1,500 acres, generally located between Kubler Road to the north and the US-Mexico border to the south, and between Hammers Road to the east and a private road to the west (½ mile west of Corda Road). The land used by the project is owned by several land owners. Agricultural lands lie to the immediate north, south, east, and west of the project, with the exception of isolated residential and/or commercial structures and a small crop duster airstrip that transects a portion of CSF-II Phase A.

Calexico Solar Farm I comprises two phases (Phase A and Phase B), each requesting approval of a separate CUP.

Assessor's Parcel Numbers:

- Phase A (~940 AC): 059-110-006, 059-110-008, 059-130-003, 059-110-003, 059-110-007
- Phase B (~530 AC): 052-180-043, 052-180-044, 052-180-022, 052-180-050, 052-180-051

Location Map:



Calexico Solar Farm II

Vicinity Map:



DESCRIPTION OF PROPOSED PROJECT

89MA 8ME, LLC and 8minutenergy Renewables LLC (the "Applicant") are seeking approval of two Conditional Use Permits (CUP) from Imperial County for the development of an up to 200 MW Calexico Solar Farm II ("CSF-II") solar farm located west of Calexico (see "Vicinity Map" above). The Applicant plans to develop this project in two phases: Phase A and Phase B, each with a separate CUP, and each intended to generate up to 100 MW. The Applicant further intends for each phase to have its own O&M building and onsite substation.



Project Phases

An interconnection application process for the entire CSF-II project with the California Independent System Operator (CAISO) has been initiated, and a queue position with CAISO has been secured for a total of 200 MW, which will be shared by the two phases of the CSF-II project. The Applicant intends for each CUP application of the project's two phases to produce up to 100 MW. However, each phase and CUP may produce up to 200 MW if the other phase and CUP either does not get built at all or does not get built for its full 100 MW share. The total output of both CUPs and phases combined will not exceed a total of 200 MW in any scenario.

The land requirements of a solar farm can vary significantly depending on the mounting structures used (e.g., fixed-tilt vs. tracking) and the efficiency of the modules selected. In general, on a per-MW basis, less land is required for higher efficiency modules (which may not be available cost effectively at the time of construction) with fixed-tilt mounts than for lower efficiency modules with tracking mounts. Thus, by using high efficiency modules and fixed-tilt mounts, a single phase and CUP of CSF-II could accommodate up to 200 MW itself. It is entirely possible that each phase and CUP ends up with a mix of fixed tilt and/or tracking mounts and different module efficiencies.

Therefore, the Applicant requests the approval of two CUPs for the CSF-II project: one CUP for Phase A, and a second CUP for Phase B. The CUP term requested for each phase and CUP is 40 years. The Applicant proposes to construct, own, operate, and fund the CSF-II project. The The Applicant expects both phases of the CSF-II project to produce power by 2014.

CSF-II's interconnection will occur at the 230 kV side of the SDG&E Imperial Valley (IV) Substation, located approximately 7 miles northwest of the project site. The Applicant intends to interconnect via 230 kV transmission facilities shared with one or more solar projects in the vicinity; several suitable transmission facilities are currently planned in CSF-II's immediate area. CSF-II intends to transfer electrical power from both of its onsite substations (one each on Phase A and Phase B land) to IV Substation via an offsite shared substation and transmission facility constructed, owned, operated, and funded by Mount Signal Solar Farm I (82LV 8me, LLC), which has a Right-of-Way (ROW) application being processed by the Bureau of Land Management (BLM). Alternatively, CSF-II may:

- 1. Build a single onsite substation located in one of CSF-II's phases, which would collect power generated by both phases of CSF-II and transmit that power to IV Substation via the method described above; or
- 2. "Host" a shared substation onsite in one of CSF-II's phases, which c/would receive power from the other phase as well as from another nearby solar project(s). Power would then be transmitted to IV Substation via shared transmission facilities constructed, owned, operated, and funded by a separate legal entity; or
- Utilize the transmission, substation, and/or O&M facilities of another legal entity(ies) other than those of Mount Signal Solar Farm I, such as another neighboring solar project or a Special Purpose Vehicle (SPV) created to accommodate multiple solar projects' shared transmission, substation, and/or O&M facilities.

In the above alternative scenarios, CSF-II's onsite transmission, substation, and/or O&M facilities c/would be reduced or eliminated, and those areas c/would instead by covered with solar panels.

Any necessary authorization or agreement to share facilities would be obtained from the appropriate legal entity(ies) prior to CSF-II's construction.

The Applicant has considered the following in its selection of the CSF-II site for detailed evaluation:

- Land availability (approximately 1,500 acres);
- Zoning (the CSF-II will be sited on land currently zoned "A-2" General Agriculture and "A-2-R" General Agriculture Rural Zone);
- Minimal environmental consequences (CSF-II will be located on disturbed land currently used for agriculture);
- Water availability (no water wells required);
- Primarily (95%+) low production agricultural land (Farmland of Statewide Importance);
- Long-term land lease (25-year lease commencing with entitlements with a 15-year extension for a total of 40 years)
Project Description

Calexico Solar Farm II



Map of CSF-II Photo Locations



#1 Looking SW



#2 Looking NW

Project Description

Calexico Solar Farm II



#3 Looking NE







#7 Looking SE



#4 Looking NE



#6 Looking SE



#8 Looking NW

Project Description

Calexico Solar Farm II



#11 Looking SE



Up to twelve (12) full time employees will operate the entire CSF-II project (split roughly evenly between phases, and between daytime and nighttime shifts). Typically, up to six (6) staff total for both phases combined will work during the day shift (sunrise to sunset), and the remainder during the night shifts and weekend. As noted earlier, it is possible that one phase of CSF-II would simply feed its power to the other phase. In that scenario, CSF-II's phases would share personnel, thereby reducing the staff required for CSF-II as a whole to a total of approximately ten (10) staff. It is also possible that CSF-II would share another legal entity's O&M facilities. In that scenario, CSF-II c/would also share personnel with that legal entity, thereby reducing or eliminating the onsite staff required for CSF-II.

CSF-II will export and sell the generated electricity via the CAISO grid. After the useful life of the project (up to 40 years) the panels will be disassembled from the steel mounting frames and the site restored to its pre-development condition. CSF-II as a whole is planned to generate up to 200 MW AC of electricity during peak daylight hours (up to 100 MW planned for each phase, or up to 200 MW if technology permits or is available; total for CSF-II as a whole would not exceed 200 MW in either case).

CSF-II will utilize non-reflective photovoltaic (PV) panels (or modules) to convert sunlight directly into electricity. Individual panels will be installed on either fixed-tilt or tracker mount systems, which will stand up to 15 feet high (depending on the mount) while either flat or tilted up to approximately 40 degrees from horizontal. The solar array field will be arranged in grids, and each grid will include an inverter container and a pad-mounted transformer near the center. CSF-II will also have several electrical control containers throughout the project. CSF-II as a

whole will require the installation of up to 1.6 million photovoltaic panels to generate up to 200 MW AC (direct current ("DC") nameplate capacity of approximately 264 MW DC). The initial energy production of CSF-II as a whole will be up to approximately 480,000 MWh per year, sufficient to power over 68,000 homes and displacing over 270,000 tons of CO₂ emissions per year when compared to a gas-fired power plant or 540,000 tons when compared to a coal-fired power plant. This displacement of CO₂ emissions is equivalent to planting approximately 11 to 22 million trees or removing approximately 50,000 to 100,000 cars from the roads, respectively.



Fixed-tilt solar panels



Typical fixed-tilt solar panel rows



Typical single-axis tracking solar panels



Typical single-axis tracking solar panel rows



Typical single-axis tracking solar panel rows



Typical azimuth tracking solar panel rows



¹ See Appendix for enlarged version



Project Site Layout – Phase B¹

The Applicant proposes to situate the solar array on agricultural lands generally located between Kubler to the north and the US-Mexico border to the south, and between Hammers Road to the east and a private road to the west (½ mile west of Corda Road). Any Imperial Irrigation District (IID) irrigation canals and drains will remain in place, including maintenance access roads as per IID easements.

The Applicant intends for each phase of CSF-II to have a separate operations and maintenance ("O&M") building (up to approximately 320 square feet each, or 40' x 80' each), with associated parking, which will be constructed near the southeast corner of Weed Road and SR-98 for

¹ See Appendix for enlarged version

Calexico Solar Farm II

Phase A and the northwest corner of Ferrell Road and SR-98 for Phase B (see Site Layout in the Appendix). The O&M buildings will be steel framed, with metal siding and roof panels, painted to match the surrounding setting (desert sand). Each O&M building site will have a septic tank and leach field for wastewater disposal. A water system and small water treatment plant will be placed at each O&M building to provide onsite de-ionized water for panel washing.

Panel washing requires about one quart of water for each panel per month. It is estimated that water demand from the IID canal for panel washing and domestic use will not exceed 80 acrefeet per year for CSF-II as a whole (split between phases roughly in proportion to their respective acreages). A total of approximately 20,000 to 70,000 gallons of water for CSF-II as a whole (split between phases roughly in proportion to their respective acreages) will be stored in steel tank(s) placed above ground onsite at the water treatment area, under a metal shade structure. 10,000 gallons of water for each O&M building will be exclusively dedicated for O&M firefighting purposes, i.e., to protect the O&M building only. The Applicant intends to also order and obtain a portion of the landlords' agricultural water allocations (roughly 8,000 acre-feet) from the IID to irrigate and maintain a cover crop (saltgrass or similar) on the disturbed portions of the CSF-II site; alternatively or in addition, a soil stabilizer may also be used. If a cover crop is used onsite, it is estimated that water usage to maintain that cover crop would be up to approximately 370 acre-feet per year (split between phases roughly in proportion to their respective acreages).





Operations and Maintenance (O&M) Building Area – Phase B

Access to the CSF-II is via existing paved roads (SR-98, Ferrell Road, and Weed Road). The site will be enclosed with a low voltage, 8-foot high enhanced security fence with perimeter landscaping along public roads. The fencing will be screened with neutral colored slats (or similar) along public roads. The fence and landscaping would largely screen the project from view and beautify the project's frontages to ensure that the project would not adversely impact scenic resources or the visual character of the site and its surroundings. Each O&M building's parking lot and access driveway from will be paved (not curbed). The roads, driveways and parking lots will meet the Department of Public Works and Fire/OES Standards as well as those of the Air Pollution Control District. Alternatively, CSF-II may share the cost of a Wildland Type II (or similar) fire truck with other nearby solar projects to permit the fire department access throughout the site. Parking spaces and walkways will be concreted to meet all California Accessibility Regulations.

The solar array areas will have low lying grass and/or a soil stabilizer to control dust and storm water erosion. A small (48"x 96") metal sign will be mounted at the entrances to CSF-II that identifies the project.

As noted earlier, it is possible that one phase of CSF-II would simply feed its power to the other phase. In that scenario, CSF-II's phases would share O&M facilities and would therefore require only one set of O&M facilities (O&M building with associated parking area, water tank(s), dedicated 10,000 gallons of fire-fighting water to protect the O&M building, etc.). The other O&M building area would instead be covered by solar panels. It is also possible that CSF-II would share another legal entity's O&M facilities. In that scenario, CSF-II's own onsite O&M facility needs c/would therefore be reduced or eliminated, and any unused O&M building area depicted in the Site Layout c/would instead be covered by solar panels.

<u>APPENDIX D</u> Analysis of Nearby Lands

The Applicant finds that there is no proximate non-contracted land which is both available and suitable for the use to which it is proposed the contracted land be put. The unique siting requirements of a solar farm limit the number of parcels available and suitable for such use. The siting of solar farm facilities largely is determined by the need to locate: (1) at or very near to existing electrical facilities (including transmission lines), (2) with available transmission capacity in the lines to carry the additional electricity produced, which is a function not only of line capacity but also arrangement of the electrical grid to ensure balanced loads.

The Solar Farm Parcels are uniquely suited to the operation of a photovoltaic solar electricity generating facility. It is close to the Imperial Valley (IV) Substation located on nearby federal land managed by the Bureau of Land Management (BLM). The Solar Farm Parcels will interconnect at IV Substation via a planned 230 kV electrical transmission line located one-half mile to the south of the Solar Farm Parcels.

The proximity to IV Substation and the planned transmission line in particular limits the difficulty of obtaining easements and the expense of constructing additional transmission line(s). This is important because utility-scale photovoltaic solar energy is at the high-end of the price scale for the range of utility-scale power generation (coal, natural gas, nuclear, solar, wind) and thus it is prudent to minimize additional costs such as extending or adding transmission lines.

Within the one-mile radius of the Solar Farm Parcels, the Solar Farm Parcels are the only parcels properly suited to the Applicant's project objectives. Exhibit "A," attached, shows the one-mile radius around the Solar Farm Parcels. As is clearly visible from the exhibit, the majority of parcels surrounding the Solar Farm Parcels are already tied up for use in planned solar facilities (including the Applicant's proposed project).

Within the Solar Farm Parcels' section (a section is typically approx. 640 acres), three quarters of the land are already being used for the Applicant's proposed solar farm. The remaining quarter section is being used for a separate proposed solar farm.

Within the half section that lies within one mile to the west of the Solar Farm Parcels, approximately one-and-one-half quarter section is already being used for a separate proposed solar farm. Of the remaining two parcels, one is owned by a landowner that is not interested in selling or leasing the land for the Applicant's proposed project, while the other is insufficient in size to accommodate a solar facility of the scale proposed by the Applicant.

The quarter section that lies within one mile to the northwest of the Solar Farm Parcels is owned by a landowner that is not interested in selling or leasing the land for the Applicant's proposed project.

Within the half section that lies within one mile to the north of the Solar Farm Parcels, one quarter section is publicly owned by the Imperial Irrigation District (IID) and is connected to a lawsuit against the IID (and requires releasing the IID from liability), while the remaining quarter section is owned by a landowner that is not interested in selling or leasing the land for the Applicant's proposed project.

Within the half section that lies within one mile to the northeast of the Solar Farm Parcels, approximately 130 acres is owned by a landowner that is not interested in selling or leasing the land for the Applicant's proposed project. An existing commercial operation occupies approximately 40 additional acres, while approximately additional 30 acres are already tied up

for a separate proposed solar farm. All but 15 acres of the remaining land consists of a large wash and native vegetation which is unsuitable for solar; the 15-acre parcel is insufficient in size to accommodate a solar facility of the scale proposed by the Applicant.

The entire section to the east of the Solar Farm Parcels is already being used for a separate proposed solar farm.

Half of the section to the southeast of the Solar Farm Parcels is already being used for proposed solar farms (including the Applicant's solar project). The remaining half section is owned by landowners that are not interested in selling or leasing the land for the Applicant's proposed project.

All but one parcel of the section to the south of the Solar Farm parcels is already being used for two separate proposed solar farms. The remaining parcel (approx. 10 acres) is insufficient in size to accommodate a solar facility of the scale proposed by the Applicant.

Within the half section that lies within one mile to the southwest of the Solar Farm Parcels, approximately one-and-one-quarter quarter section is already being used for two separate proposed solar farms. The remaining land is owned by landowners that are not interested in selling or leasing their land for the Applicant's proposed project, or is unsuitable given insufficient size to accommodate a solar facility of the scale proposed by the Applicant.

APPENDIX D, EXHIBIT A – LANDS PROXIMATE TO PROJECT SITE





* Acquisition of IID lands requires release of IID from liability in connection with existing lawsuit

<u>APPENDIX E</u>

Agricultural Cancellation Findings

Cancellation is not likely to result in the removal of adjacent lands from agricultural use.

Cancellation is not likely to result in the removal of adjacent lands from agricultural use because the proposed use is a solar farm. Typically cancellation of Williamson act contract in an area may result in the removal of adjacent lands if the proposed use for the property is an incompatible use or is a use that encourages leap frog development. The types of development projects that in other parts of the state have resulted in the removal of adjacent lands from agricultural use have included traditional residential and commercial development. Solar farms unlike typical residential or commercial development projects do not encourage the premature removal of adjacent lands because solar farms, as part of their approval and development, generally do not involve the construction of backbone infrastructure (water and sewer) that would accelerate or encourage leap frog development. Additionally, the cancellation is unlikely to be the cause of the removal of additional property from agricultural use because:

- Agricultural operations in the County of Imperial have occurred in parcels of land with or without agricultural contracts regardless of whether those parcels are located within or outside of an agricultural preserve. Therefore, the cancellation of this contract is not likely to result in the removal of adjacent lands from agricultural use.
- Backbone Infrastructure (water and sewer) is not being proposed nor is required as part of this solar farm development project.
- Locating the solar farm within the agricultural property could be found to be a compatible
 use in the agricultural preserve and county as a whole. More specifically, the state
 department of conservation has indicated that in some instances counties like County of
 Imperial may determine that the solar farm to be a compatible use with the underlying
 agricultural use. The County of Imperial could make this analysis whether the proposed
 solar farm significantly interferes with the underlying county wide agricultural operation.
- Locating the solar farm in this area would not significantly interfere with the countywide agricultural operations. More specifically, the removal of this land from agricultural productions would represent approximately 0.25% of the total amount of land devoted to agricultural production in the County. The removal of this land is not likely to result in the removal of adjacent lands from agricultural use.

For the above-stated reasons, the cancellation of the contract for this property will not result in the removal of adjacent lands from agricultural use.

<u>APPENDIX F</u>

Notice of Nonrenewal – Land Conservation Contract

Recoding Requested by:

IMPERIAL COUNTY BOARD OF SUPERVISORS El Centro, California

Return To:

Clerk of the Board County Administration Building Recorded without fee under GCS 27383

Recorded in Official Records, Imperial County Dolores Provencio County Clerk / Recorder		11/10/2010 3:53 PM IV
IMP County of Imperial		
Doc#: 2010-028537	Titles: 1	Pages: 2
ni)) (1999) (1999) (1999) (1999) (1997) (1997) (1997) (1997) (1997)	Fees	0.00
tin) tin an	Taxes	0.00
	Other	0.00
	PAID	\$0.00

J

Ŧ

NOTICE OF NONRENEWAL LAND CONSERVATION CONTRACT (WILLIAMSON ACT)

PHOENIX JOY L TRUSTEE Preserve #160 Contract #2003-03 Document #BK 2267, PG 376 APN (s) 052-180-050-001; 052-180-022-001; 052-180-051-001

Pursuant to provisions of Section 51245 of the California Government Code, notice is hereby given that there is on file with Imperial County Clerk of the Board a Notice of Nonrenewal of land included in the California Land Conservation Contract (Williamson Act) originally executed between the County of Imperial and MATTHEW LEANDAER JOHNSON_on 12/10/2003 as Document #BK 2267, PG 376 of the Official Records of the County of Imperial and recorded on 12/24/2003 and conveyed to

> PHOENIX JOY L TRUSTEE 2140 EL CAMINO RINCONADO TUCSON, AZ 85749

on October 20, 2010. The contract on the aforementioned land, (APN 052-180-050-001; 052-180-022-001; 052-180-051-001) therefore, will terminate on 12/24/2019

Louis Fuentes

Chairman Imperial County Board of Supervisors

CC: Department of Conservation Ralph Cordova, County Executive Office Michael Rood, County Counsel Roy Buckner, Assessor

C:Documents and Settings!katherinetumerlLocal Settings!Temporary Internet Files!Content.OutlookJ58B9SQE!NOTICE OF NORENEWAL (2010 WA).docx

October 20, 2010 Date Preserve #160 Contract #2003-03 APN (s) 052-180-050-001; 052-180-022-001; 052-180-051-001

ALL PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA BOARD OF SUPERVISORS COUNTY OF IMPERIAL



On <u>October 20, 2010</u> before me, <u>Sylvia Bermudez, Clerk of the Board of</u> <u>Supervisors</u> personally appeared <u>Louis A. Fuentes</u> who proved to me on the basis of satisfactory evidence to be the <u>person(s)</u> whose <u>name(s)</u> <u>is</u>/are subscribed to the within instrument and acknowledged to me that <u>he</u>/she/they executed the same in <u>his</u>/her/their authorized <u>capacity(ies)</u> and that by <u>his</u>/her/their signature(s) on the instrument the <u>person(s)</u> or the entity upon behalf of which the <u>person(s)</u> acted, executed the instrument.

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

WITNESS my hand and official seal:



Sylvia Bermudez, Clerk of the Board County of Imperial, State of California



AGRICULTURAL PRESERVE PROGRAM APPLICATION FOR DISESTABLISHMENT OR DIMINISHMENT OF AN AGRICULTURAL PRESERVE

INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED

CASE NUMBER

DATE SUBMITTED:

APPLICATION INFORMATION

APPLICANT OWNERS NAME			PHONE	
89MA 8ME LLC			(213) 281-9771	
MAILING ADDRESS	CITY	STATE	ZIP CODE	
10100 Santa Monica Boulevard, Suite 300	Los Angeles	CA	90067	
PROPERTY OWNERS NAME		PHONE		
Joy L. Phoenix (Trustee of the Joy L. Phoenix Living Trust)		(520) 749-2229		
MAILING ADDRESS (street / p.o.)	CITY	STATE	ZIP CODE	
2140 North El Camino Rinconado	Tucson	AZ	85749	
ENGINEERS NAME	CAL. LICENSE NO		PHONE	
Jeffrey O. Lyon	RCE31921		(760) 337-1100	
MAILING ADDRESS (street / p.o.)	CITY	STATE	ZIP CODE	
780 North 4 th Street	El Centro	CA	92243	

If the property is owned by more than one person, attach a separate page that reference the application case number and lists the names, mailing addresses, and phone numbers of all persons having an interest in the real property or properties involved in this application.

The Planning & Development Services Department will primarily direct communications regarding this application to the person identified above as the Applicant. The Applicant may be the property owner, representative, or other assigned agent.

Fees collected in excess of the actual cost of providing specific services will be refunded. If additional funds are needed to complete the processing of your application, you will be billed, and processing of the application will cease until the outstanding balance is paid and sufficient funds are available to continue the processing of the application. The applicant understands the deposit fee process as described above, and that there will be NO refund of fees which have been expended as part of the application review or other related activities or services, even if the application is withdrawn or the application is ultimately denied.

I / WE CERTIFY THAT I AM / WE ARE THE OWNER(S) OF RECORD AND THE INFORMATION SUPPLIED INFORMATION, TO THE BEST OF MY KNOWLEDGE, IS TRUE AND CORRECT.

DATE hoenio V Print Name

SIGNATURE OF PROPERTY OWNER

SIGNATURE OF PROPERTY OWNER

Thomas Buttgenbach

Print Name SIGNATURE OF APPLICAN

10/24/2011 DATE

AUTHORITY FOR THIS APPLICATION IS HEREBY GIVEN:

If the subject property is owned by persons who have not signed as owners above, attach a separate sheet that references the application case number and lists the printed names and signatures of all persons having an interest in the property. Additionally, an authorized agent must submit a letter from the owner(s) indicating authority to sign the application on the owner's behalf. All signatures must be originals ("wet-signed"). Photocopies of signatures are not acceptable.

PROPERTY INFORMATION:

PROPERTY (site) ADDRESS	
TBD	
ASSESSORS PARCEL NO.	SIZE OF PROPERTY (in gross acres)
052-180-022, 052-180-050, 052-180-051	179 acres
LEGAL DESCRIPTION (attach separate sheet if necessary) See Appendix A	
GENERAL LOCATION (CROSS STREETS) Bounded by Corda Road to the west, a private road to the no	orth, Ferrell Road to the east, and Highway 98 to the south.
PROJECT INFORMATION:	
Purpose of Request (Check one):	
Disestablishment (Termination of entire Agricult	ural Preserve)
XDiminishment (Removal of a portion of the land	in an Agricultural Preserve).
Name or Number of the affected Agricultural Preserve:	No. 160
Number of Petitions for Cancellation of Contract attached	: 1
las a Notice of Nonrenewal been served on the land inve	olved in this application? Yes_X No
f yes, state the date(s) of said Notice of Nonrenewal serv	ved: October 20, 2010
Related cases filed in conjunction with this request: <u>Non</u>	e
DDITIONAL INSTRUCTIONS:	
SETTORAL INSTRUCTIONS:	

- A. Attach a Petition for Cancellation of Contract for each separate ownership of land involved in this application. (A husband and wife, partnership, a corporation, a trust, or a joint ownership is considered one owner.)
- B. If the landowner is a successor-in-interest to the owner who executed the Land Conservation Contract with the County of Imperial, the application must be accomplished with proof of ownership, such as a copy of a deed or title insurance policy.
- C. Attach a map of the land affected by this application showing the properties belonging to the separate ownerships.
- D. Enclose the appropriate deposit-based filing fee for each Disestablishment or Diminishment application, and for each Petition of Cancellation of Contract. (Please make checks or money orders payable to the "County of Imperial.")
- E. Please note that payment of an Environmental Assessment deposit-based fee will be required for this application at the time of submittal, and no Land Conservation Contract can be cancelled until all provisions of the California Environmental Quality Act have been satisfied.
- F. Attach all required applications for the proposed alternative land uses for this property, and all applicable deposit-based fees.

JM/S:FORMS/agricultural preserve program disestablishment application

Owner's Request for Williamson Act Cancellation and Affidavit	Appendix A
Legal Description of Property	Appendix B
Preliminary Title Report.	Appendix C
Lands within Agriculture Preserve	Appendix D

<u>APPENDIX A</u>

Owner's Request for Williamson Act Cancellation and Affidavit

OWNER'S REQUEST TO THE COUNTY OF IMPERIAL FOR CANCELLATION OF WILLIAMSON ACT CONTRACT & AFFIDAVIT

The undersigned owner of those certain lands commonly known as Assessor's Parcel Numbers (APNs) 052-180-022, 052-180-050, and 052-180-051 (the "Lands") requests, and petitions for, the cancellation of that certain Land Conservation Contract between owner and the County of Imperial recorded December 24, 2003 as Instrument No. 2001-040361 of the Official Records of Imperial County which covers the aforementioned APNs.

Such request is made pursuant to Government Code Section 51281 and we request that a petition for such cancellation be made to the County Board of Supervisors as contemplated in Government Code Section 51282 with a finding that cancellation is in the public interest.

Permission is hereby granted to 8Minutenergy Renewables, LLC (and its affiliated company 89MA 8ME, LLC), to take all measures necessary to apply for and complete the request/petition for cancellation of the aforementioned Land Conservation Contracts imposed on the Lands pursuant to Section 51200 et seq. California Government Code

OWNER (SIGNATURE)

OWNER (TYPED OR PRINT)

2143 NEI CAMINO RINCONARD OWNER'S ADDRESS JULSON, A2 85749

VERNA BREWER NOTARY PUBLIC - ARIZONA COCHISE COUNTY

> My Commission Expires February 17, 2012

10/4/11

STATE OF CALIFORNIA 42	
COUNTY OF 1/3 ma } S.S.	
On 1017111	before me,
JOY LE ANNE PHOENIX	, personally appeared
	who proved to me on the basis of

satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal

Signature

ATTENTION NOTARY Although the Information requested below is OPTIONAL, it could prevent fraudulent attachment of this certificate to unauthorized document.

Title or Type of Document		
Number of Pages	Date of Document	
Signer(s) Other Than Named	Above	

<u>APPENDIX B</u> Legal Description of Property

Legal Description of Property

The land referred to herein is situated in the State of California, County of Imperial, and described as follows:

05-180-022

The northwest quarter of the southeast quarter of Section 12, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the official plat thereof.

052-180-050

The northeast quarter of the southeast quarter of Section 12, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the official plat thereof. Said land is also shown on map recorded in Book 8, Page(s) 45 of Licensed Surveyors Maps.

052-180-051

The south half of the southeast quarter of Section 12, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the official plat thereof. Said land is also shown on map recorded in Book 8, Page(s) 45 of Licensed Surveyors Maps.

<u>APPENDIX C</u> Preliminary Title Report



PRELIMINARY REPORT

Order Number	:	363295
Title Unit Number	:	7434

Buyer/Borrower Name: :

Property Address: 052-180-022, 50, 51, Imperial, California

In response to the above referenced application for a Policy of Title Insurance, Stewart Title of California, Inc. 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 referenced to as an Exception on Schedule B 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 Limits 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.

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 thereto) 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: January 27, 2011 at 7:30 a.m.

Kaz Bernath, Title Officer

When replying, please contact Kaz Bernath, Title Officer

PRELIMINARY REPORT

The form of Policy of Title Insurance contemplated by this report is:

- □ California Land Title Association Standard Coverage Policy
- □ American Land Title Association Owners Policy
- □ American Land Title Association Residential Title Insurance Policy
- □ American Land Title Association Loan Policy
- CLTA/ALTA Homeowners Policy
- □ ALTA Short Form Residential Loan Policy (06/16/07)

□ 2006 ALTA Loan Policy

SCHEDULE A

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

Fee

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

Joy L. Phoenix, as Trustee of the Joy L. Phoenix Living Trust, dated Feb. 10, 2006

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Imperial, and described as follows:

Parcel 1: 052-180-50

The northeast quarter of the southeast quarter of Section 12, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the official plat thereof. Said land is also shown on map recorded in Book 8, Page(s) 45 of Licensed Surveyors Maps.

Parcel 2: 052-180-22

The northwest quarter of the southeast quarter of Section 12, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the official plat thereof.

Parcel 3: 052-180-51

The south half of the southeast quarter of Section 12, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the official plat thereof. Said land is also shown on map recorded in Book 8, Page(s) 45 of Licensed Surveyors Maps.

(End of Legal Description)

SCHEDULE B

At the date hereof, exceptions to coverage in addition to the printed exceptions and exclusions contained in said policy or policies would be as follows:

Taxes:

- A. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes, to be levied for the fiscal year 2010 2011.
- B. General and Special City and/or County taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2009 2010:

1 st Installment:	\$271.64 paid
2 nd Installment:	\$271.64 open
Parcel No.:	052-180-022
Code Area:	057003

(Affects Parcel 2)

C. General and Special City and/or County taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2009 - 2010:

1 st Installment:	\$318.74 paid
2 nd Installment:	\$318.74 open
Parcel No.:	052-180-050
Code Area:	057003

(Affects Parcel 1)

D. General and Special City and/or County taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2009 - 2010:

1 st Installment:	\$601.69 paid
2 nd Installment:	\$601.69 open
Parcel No.:	052-180-051
Code Area:	057003

(Affects Parcel 3)

Exceptions:

- 1. Water rights, claims or title to water in or under said land, whether or not shown by the public records.
- 2. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (commencing with Section 75) of the revenue and taxation code of the State of California.
- 3. Assessments, if any, for community facility districts affecting said land which may exist by virtue of assessment maps or notices filed by said districts. Said assessments are collected with the County

Taxes.

- 4. Said land is located within the boundary of the Imperial Irrigation District.
- 5. Rights or claims of easements for canals, drains, laterals, irrigation pipelines and gates not recorded in the public records.
- 6. Title to, and easements in, any portion of the land lying within any highways, roads, streets, or other ways.
- 7. Easements as shown and/or dedicated upon the Map, recorded in Book 8 Page 45, in the Office of the County Recorder of Imperial County.

(Affects Parcels 1, 2, 3)

8. Reservations and exceptions contained in the patent recorded in Book 36, Page(s) 6 of Official Records and in Book 3, Page(s) 4 of Patents.

(Affects Parcels 1, 2)

9. The right to use the ditches on the east and west side of the northwest quarter of the southeast quarter of Section 12 for the purpose of carrying surplus and waste water, as provided for in the deed from Beekler and Turner, a corporation, to Chas F. Turner, recorded in Book 32, Page(s) 169 of Deeds.

(Affects Parcel 1)

10. An easement for public road, and rights incidental thereto, in favor of County of Imperial, as set forth in a document recorded in Book 40, Page(s) 95 of Deeds, affects as described in said document.

(Affects Parcel 3)

11. An easement for drain canal, telephone and electric power lines, and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded in Book 254, Page(s) 349 of Official Records, affects as described in said document.

(Affects Parcel 1)

12. An easement for drain canal(s), telephone and/or electric power line(s), and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded in Book 254, Page(s) 347 of Official Records, affects as described in said document.

(Affects Parcel 2)

13. An easement for irrigation, waste or drainage canals, or power or telephone lines, with means of ingress and egress thereto, and rights incidental thereto as reserved in a document recorded September 14, 1937 in Book 467, Page(s) 493 of Official Records, which affects as said document is described therein.

(Affects Parcel 2)

14. An easement for canal(s), telephone and/or electric power line(s), and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded August 20, 1958 in Book

1002, Page(s) 473 of Official Records, affects as described in said document.

(Affects Parcel 3 included within a strip of land 80 feet in width, the center line of which is the center line of the Wisteria Drain as now constructed across said Parcel 1)

15. An easement for canal(s), telephone and/or electric power line(s), overhead and/or underground, and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded August 20, 1958 in Book 1002, Page(s) 473 of Official Records, affects as described in said document.

(Affects Parcel 2)

16. An easement for Wisteria Drain, along the north line of Parcel 2, and rights incidental thereto as revealed in a document recorded August 20, 1958 in Book 1002, Page(s) 473 of Official Records, which affects as said document is described therein.

(Affects Parcel 2)

17. An easement for drain canal(s), telephone and/or electric power line(s), overhead and/or underground, and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded September 2, 1969 in Book 1282, Page(s) 1115 of Official Records, affects as described in said document.

(Affects Parcel 2)

18. An easement for drain canal(s), telephone and/or electric power line(s), overhead and/or underground, and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded September 2, 1969 in Book 1282, Page(s) 1117 of Official Records, affects as described in said document.

(Affects Parcel 1)

19. An easement for Wisteria Drain, along the north line of Parcel 1, and rights incidental thereto as revealed in a document recorded September 2, 1969 in Book 1282, Page(s) 1117 of Official Records, which affects as said document is described therein.

(Affects Parcel 1)

20. An easement for public highway, and rights incidental thereto, in favor of County of Imperial, as set forth in a document recorded November 2, 1971 in Book 1317, Page(s) 1150 of Official Records, affects as described in said document.

(Affects Parcels 1, 2, 3)

21. An easement for canal(s), telephone and/or electric power line(s), overhead and/or underground, and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded June 22, 1978 as Instrument No. 60 in Book 1417, Page(s) 1585 of Official Records, affects as described in said document.

(Affects Parcel 3)

22. An easement for Wisteria Lateral 2 Canal, along the south line of Parcel 3, and rights incidental thereto as revealed in a document recorded June 22, 1978 as Instrument No. 60 in Book 1417, Page(s) 1585 of Official Records, which affects as said document is described therein.

(Affects Parcel 3)

23. Deed of Trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby:

To avoid delays at the time of closing, please submit the original note, deed of trust, (Properly Executed) requested for reconveyance, and a final demand for pay-off executed by the record beneficiary.

In the event the demand is prepared by a servicing agent, the demand must be approved by the record beneficiary.

(Affects Parcels 1, 2, 3)

An Affidavit of Death for Harold H. Johnson recorded October 17, 1994 in Book 1786, Page(s) 362 of Official Records.

24. Covenants and restrictions imposed by a Land Conservation Contract executed pursuant to Section 51200 et. seq. California Government Code, recorded December 24, 2003 as Instrument No. 03-40361 of Official Records.

(Affects Parcels 1, 2, 3)

A Notice of Nonrenewal Land Conservation Contract (Williamson Act) recorded November 10, 2010 as Instrument No. 10-28537 of Official Records.

- 25. Any invalidity or defect in the title of the vestees in the event that the trust referred to in the vesting portion of Schedule A is invalid or fails to grant sufficient powers to the trustee(s) or in the event there is a lack of compliance with the terms and provisions of the trust instrument.
- 26. Loss or damage by reason of the improvements, if any, located on the land described herein being declared to be personal property.
- 27. Rights or claims of parties in possession and easements or claims of easements not shown by the public records, boundary line disputes overlaps, encroachments, and any matters not of record, which would be disclosed by an accurate survey, and inspection of the land.

(End of Exceptions)

NOTES AND REQUIREMENTS

None
CALIFORNIA "GOOD FUNDS" LAW

California Insurance Code Section 12413.1 regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow account and available for withdrawal prior to disbursement. Funds received by Stewart Title of California, Inc. via wire transfer may be disbursed upon receipt. Funds received via cashier's checks or teller checks drawn on a California Bank may be disbursed on the next business day after the day of deposit. If funds are received by any other means, recording and/or disbursement may be delayed, and you should contact your title or escrow officer. All escrow and sub-escrow funds received will be deposited with other escrow funds in one or more non-interest bearing escrow accounts in a financial institution selected by Stewart Title of California, Inc.. Stewart Title of California, Inc. may receive certain direct or indirect benefits from the financial institution, and Stewart Title of California, Inc. shall have no obligation to account to the depositing party in any manner for the value of, or to pay to such party, any benefit received by Stewart Title of California, Inc.. Such benefits shall be deemed additional compensation to Stewart Title of California, Inc.. Such benefits shall be deemed additional compensation to Stewart Title of California, Inc. for its services in connection with the escrow or sub-escrow.

If any check submitted is dishonored upon presentation for payment, you are authorized to notify all principals and/or their respective agents of such nonpayment.

Wire Instructions

If you anticipate having funds wired to Stewart Title of California, Inc., our wiring information is as follows:

Additional Note: Direct wire transfers to:

Union Bank 1980 Saturn Street Monterey Park, CA 91755

Routing Number: 122000496 Credit to Stewart Title of California, Inc. Sub-Escrow Trust Account Account Number: 9120050750 Reference Order Number: 363295 Title Unit Number: 7434 Title Officer Name: Kaz Bernath

When instructing the financial institution to wire funds, it is very important that you reference Stewart Title of California, Inc.'s order number.

Should you have any questions in this regard please contact your title officer immediately.

4 4STG Privacy Notice 1 (Rev 01/26/09) Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information	Do we share?	Can you limit this sharing?
For our everyday business purposes — to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
For our marketing purposes— to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes — information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and nonfinancial companies. <i>Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company</i>	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness.	No	We don't share
For our affiliates to market to you	Yes	No
For nonaffiliates to market to you. Nonaffiliates are companies not related by common ownership or control. They can be financial and nonfinancial companies.	No	We don't share

We may disclose your personal information to our affiliates or to nonaffiliates as permitted by law. If you request a transaction with a nonaffiliate, such as a third party insurance company, we will disclose your personal information to that nonaffiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

Sharing practices			
How often do the Stewart Title Companies notify me about their practices?	We must notify you about our sharing practices when you request a transaction.		
How do the Stewart Title Companies protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal and state law. These measures include computer, file, and building safeguards. We collect your personal information, for example, when you • request insurance-related services • provide such information to us We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.		
How do the Stewart Title Companies collect my personal information?			
What sharing can I limit?	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.		
Contact Us If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056			

EXHIBIT A (Revised 11-17-04)

CLTA PRELIMINARY REPORT FORM (Revised 11-17-06)

SCHEDULE B

CLTA PRELIMINARY REPORT FORM LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990 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 which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims or other matters:

(a) whether or not recorded in the public records at Date of Policy, but 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; or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.

5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which 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, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

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

1. Taxes or assessments which 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.

Proceedings by a public agency which 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 which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.

3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are 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.

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, which arise by reason of:

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10/22/03) ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE 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 ordinances, laws and regulations concerning:

a. building

- b. zoning
- c. Land use
- d. improvements on the Land
- e. Land division
- f. environmental protection

This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.

This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.

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 apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.

- 3. The right to take the Land by condemning it, unless:
 - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
 - b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;

b. that are Known to You at the Policy Date, but not to Us, unless they appear 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.d, 22, 23, 24 or 25.
- 5. Failure to pay value for Your Title.
- 6. Lack of a right:

4

- 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 18.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

* For Covered Risk 14, 15, 16 and 18, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A. The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

Your Dec	Our Maximum Dollar	
Limit of Liability		
Covered Risk 14:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 15:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 16:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 18:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

AMERICAN LAND TITLE ASSOCIATION 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:

- land use
- improvements on the land
- land division
- 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 notice of exercising the right appears in the public records
- on the Policy Date
- 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:
- that are created, allowed, or agreed to by you
- that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records
- that result in no loss to you
- 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:
- to any land outside the area specifically described and referred to in Item 3 of Schedule A
- OR
- in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92) WITH ALTA ENDORSEMENT - FORM 1 COVERAGE

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

(a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy.

- Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at date of policy, but not excluding from coverage any taking which has occurred prior to date of policy which would be binding on the rights of a purchaser for value without knowledge.
- 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 (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to the assessments for street improvements under construction or completed at date of policy); or

(e) resulting in loss or damage, which 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 the insured at date of policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
- 5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which 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 statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to date of policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at date of policy the insured has advanced or is obligated to advance.

- 7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - I. The transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
 - II. The subordination of the interest of the insured mortgagee as a result of the application of the doctrine or equitable subordination; or
 - III. The transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely recorded the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms 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 include the following General Exceptions:

EXCEPTIONS FROM COVERAGE

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

- 1. Taxes or assessments which 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.
- Proceedings by a public agency which 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 which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
- 3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
- 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are 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.

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. 3.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

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 doingbusiness 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).

AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92) EXCLUSIONS FROM COVERAGE

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

- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy. (B) any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy.
- Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at date of policy, but not excluding from coverage any taking which has occurred prior to date of policy which would be binding on the rights of a purchaser for value without knowledge.
 - 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; or

(E) Resulting in loss or damage, which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors rights laws, that is based on:

- I. The transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
- II. The transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (A) To timely record the instrument of transfer; or
 - (B) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms 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 include the following general exceptions:

EXCEPTIONS FROM COVERAGE

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

- 1. Taxes or assessments which 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 proceedings by a public agency which 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 which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
- 3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
- 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are 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.

2006 ALTA OWNER'S POLICY (06-17-06)

3.

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.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01) 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 which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that s notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the Public Records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without Knowledge.

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 (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); or

(e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the Land is situated.

Invalidity or unenforceability of the lien of the Insured Mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(e) and 26.

CLTA Preliminary Report Form

7. 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 limit the coverage provided in Covered Risk 8.

8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are Known to the Insured at:

(a) The time of the advance; or

(b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of Interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.

9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.

EXHIBIT "A" LEGAL DESCRIPTION

Order No.: 363295 Escrow No: 363295

The land referred to herein is situated in the State of California, County of Imperial, and described as follows:

Parcel 1: 052-180-50

The northeast quarter of the southeast quarter of Section 12, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the official plat thereof. Said land is also shown on map recorded in Book 8, Page(s) 45 of Licensed Surveyors Maps.

Parcel 2: 052-180-22

The northwest quarter of the southeast quarter of Section 12, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the official plat thereof.

Parcel 3: 052-180-51

The south half of the southeast quarter of Section 12, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the official plat thereof. Said land is also shown on map recorded in Book 8, Page(s) 45 of Licensed Surveyors Maps.

(End of Legal Description)

AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT

Date: February 2, 2011

To :

052-180-022, 50, 51 Property: Imperial, California

From: Stewart Title of California, Inc.

This is to give you notice that Stewart Title of California, Inc. ("Stewart Title") has a business relationship with Stewart Solutions, LLC, DBA – Stewart Specialty Insurance Services, LLC ("Stewart Insurance"). Stewart Information Services Corporation owns 100% of Stewart Insurance and Stewart Title of California. Because of this relationship, this referral may provide Stewart Title a financial or other benefit.

Set forth below is the estimated charge or range of charges for the settlement services listed. You are NOT required to use the listed provider(s) as a condition for purchase, sale, or refinance of the subject Property. THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

Stewart Insurance Settlement Service	Charge or range of charges
Hazard Insurance	\$400.00 to \$6,500.00
Home Warranty	\$255.00 to \$ 780.00
Natural Hazard Disclosure Report	\$ 42.50 to 149.50

ACKNOWLEDGMENT

I/we have read this disclosure form, and understand that Stewart Title is referring me/us to purchase the above-described settlement service(s) and may receive a financial or other benefit as the result of this referral.

Signature

Signature

Order No. 363295

AVAILABLE DISCOUNTS DISCLOSURE STATEMENT

This is to give you notice that Stewart Title of California, Inc. ("Stewart Title") is pleased to inform you that upon proper qualification, there are premium discounts available upon the purchase of title insurance covering improved property with a one to four family residential dwelling.

Such discounts apply to and include:

Property located within an area proclaimed a state or federal disaster area;

Property purchased from a foreclosing beneficiary or successful bidder at a foreclosure sale;

Property being refinanced.

Please talk with your escrow or title officer to determine your qualification for any of these discounts.



furnished as a convenience to locate the land indicated hereon with reference to streets and other land. No liability is assumed by reason of reliance hereon.

STEWART TITLE

<u>APPENDIX D</u> Lands within Agriculture Preserve

APPENDIX D – LANDS WITHIN AGRICULTURE PRESERVE NO. 160





Owned by Joy L. Phoenix

NOTE: All shaded parcels are within the Agriculture Preserve



Please complete and attach to Application for Disestablishment or Diminishment.

A separate petition for Cancellation of Contract must be completed for each separate ownership of land to be removed from an agricultural preserve. (A husband and wife, a partnership, a corporation, a trust, or a joint ownership is one owner.)

I, the undersigned, the owner or one of the owners authorized to act on behalf of all owners of land described herein, respectfully petition the Honorable Board of Supervisors of the County of Imperial to withdraw said property <u>APNs 052-210-001 and 052-210-002</u> from Agricultural Preserve No. 115, Contract No. 2001-01, and to cancel the Land Conservation Contract or Agreement dated December 11, 2001, and recorded on December 31, 2001 as Instrument No. 2001-029375 (Book 2099, Page 729) in the Office of the County Recorder of Imperial County, California, as it pertains to said property. I declare under penalty of perjury that the information provided by me in this petition is true and complete to the best of my knowledge.

Owner's Signature:	Kay Brockman Bishop	Date:	9-22-11
Owner's	Kay Brockman Bishop		
Owner's Address	573 Drew Rd.	Fax:	
	Calexico, Ca. 92231	_ Email:	kayanddutch@gmail

If the above owner is one of the owners, authorized to act on all the owners, attach a copy of the authorization.

AGRICULTURAL PRESERVE PROGRAM PETITION FOR CANCELLATION OF CONTRACT

1. Please list all the names and addresses of all owners as shown on the recorded deed. (If the owner is a corporation, please state the type of corporation, place and date of incorporation, and affix corporate seal to the page.

Kay Brockman Bishop Trustee of the Revocable Living Trust of Kay Brockman Bishop dated July 20, 2008 573 Drew Road Calexico, CA 92231

2. If the owner is a partnership, or a corporation, a notarized statement from said partnership or corporation indicating that the petitioner is authorized to act on behalf of the partnership or corporation, must be attached to this Petition for Cancellation of Contract.

n/a

3. Give Name and address of the mortgage holder for this property.

n/a

4. Please attach site plan with the general location of the property, including the major crossroads.

See Appendix A

5. Please attach a complete legal description of this property as shown in the deed or the title insurance policy.

See Appendix B

6. Please provide the following information from your property tax bill(s):

Assessor's Parcel Number(s)	Acreage
052-210-001	204
052-210-002	41

7. Attach a statement outlining the proposed alternative land use for this property.

See Appendix C

 Attach any written evidence establishing the lack of nearby property, not subject to a Land Conservation Contract, which is both available and suitable for the proposed alternative land use.

See Appendix D

9. Attach a statement explaining how the cancellation of this contract will not result in premature conversion of nearby property presently under a Williamson Act Agricultural Preserve Contract.

See Appendix E

10. Attach all required Property Owner's Notification Information and completed Property Owner's Certification.

Page 2 of 2

JM/lh/S:/forms_lists/agricultural preserve program cancellation

Project Site Plan	Appendix A
Legal Description of Property	
Proposed Alternative Land Use Description	
Analysis of Nearby Lands	Appendix D
Agricultural Cancellation Findings	Appendix E
Notice of Nonrenewal – Land Conservation Contract	

<u>APPENDIX A</u> Project Site Plan



1	REV No.	REVISION	DATE	
11/2/2				
PRINTED: 7/				
Β.				



ſ	PREPARED	UNDER	THE	DIRECT	SUPER	VISION	OF:	Ref SSIONAL ENGINE	
	JEFFREY ENGINEER				921	DAT	E	EXP 12-31-12	





















CALEXICO SOLAR FARM I PHASE A (88FT) location calexico, ca sheet title o&m building client bminutenergy renewables

SHEET No. 1 BY GMG DATE 3/22/11 JOB # GS1039



ĺ	REV No.	REVISION	DATE
11/1/1			
PRINTED: 7			
IR (



(PREPARED UNDER T	HE DIRECT SUPE	RVISION OF:	OFFESSIONAL END
				QUE FREY O. COMPANY
				(IS) (S RCE 31,921 Z S S C S S S S S S S S S S S S S S S S
				S CIVIL N
	JEFFREY O. LYON, ENGINEER OF RECO		DATE	FIE OF CALIFORN
1	<u></u>			





CALEXICO SOLAR FARM I PHASE B (88FT)

SHEET No. BY GMG DATE 3/22/11 JOB # GS1039

SHEET TITLE OVERALL SITE PLAN CLIENT BMINUTENERGY RENEWABLES







(PREPARED	UNDER	THE	DIRECT	SUPE	RVISION	I OF:	RUESSIONAL CHORES	
	JEFFREY ENGINEER			:Е. 31,9	921	DA	ATE	EP 12-31-12 G CIVIL FF COP CAUFORN	





CALEXICO SOLAR FARM I PHASE B (88FT) location calexico, ca sheet title own building

8MINUTENERGY RENEWABLES

CLIENT



<u>APPENDIX B</u> Legal Description of Property

Legal Description of Property

The land referred to herein is situated in the State of California, County of Imperial, Unincorporated Area, and described as follows:

APN 052-210-001

Parcel 1: portion 052-210-01

The northwest quarter of northwest quarter in Section 15, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the Official Plat thereof.

Parcel 2: portion 052-210-01

The south half of north half of Section 15, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the Official Plat thereof.

APN 052-210-002

The northeast quarter of northwest quarter of Section 15, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the Official Plat thereof.

<u>APPENDIX C</u>

Proposed Alternative Land Use Description

PROJECT INFORMATION

Project Name: Calexico Solar Farm I

General Location: The project will be located approximately four miles west of Calexico, California in southern Imperial County. The project comprises several agricultural parcels totaling approximately 1,300 acres, generally located between State Route 98 to the north and the US-Mexico border to the south, and between a private road to the west (½ mile east of Pullman Rd) and a private road to the east (½ west of Ferrell Road). The land used by the project is owned by several land owners. Agricultural lands lie to the immediate north, south, east, and west of the project, with the exception of isolated residential and/or commercial structures.

Calexico Solar Farm I comprises two phases (Phase A and Phase B), each requesting approval of a separate CUP.

Assessor's Parcel Numbers:

- Phase A (~720 AC): 052-210-001, 052-210-002, 052-210-015, 052-210-14
- Phase B (~610 AC): 052-190-011, 052-210-037, 052-210-038, 052-210-039, 052-210-018

Location Map:



Vicinity Map:



DESCRIPTION OF PROPOSED PROJECT

88FT 8ME, LLC and 8minutenergy Renewables LLC (the "Applicant") are seeking approval of two Conditional Use Permits (CUP) from Imperial County for the development of an up to 200 MW Calexico Solar Farm I ("CSF-I") solar farm located west of Calexico (see "Vicinity Map" above). The Applicant plans to develop this project in two phases: Phase A and Phase B, each with a separate CUP, and each intended to generate up to 100 MW. The Applicant further intends for each phase to have its own O&M building and onsite substation.



Project Phases

An interconnection application process for the entire CSF-I project with the California Independent System Operator (CAISO) has been initiated, and a queue position with CAISO has been secured for a total of 200 MW, which will be shared by the two phases of the CSF-I project. The Applicant intends for each CUP application of the project's two phases to produce up to 100 MW. However, each phase and CUP may produce up to 200 MW if the other phase and CUP either does not get built at all or does not get built for its full 100 MW share. The total output of both CUPs and phases combined will not exceed a total of 200 MW in any scenario.

The land requirements of a solar farm can vary significantly depending on the mounting structures used (e.g., fixed-tilt vs. tracking) and the efficiency of the modules selected. In general, on a per-MW basis, less land is required for higher efficiency modules (which may not be available cost effectively at the time of construction) with fixed-tilt mounts than for lower efficiency modules with tracking mounts. Thus, by using high efficiency modules and fixed-tilt mounts, a single phase and CUP of CSF-I could accommodate up to 200 MW itself. It is entirely possible that each phase and CUP ends up with a mix of fixed tilt and/or tracking mounts and different module efficiencies.

Therefore, the Applicant requests the approval of two CUPs for the CSF-I project: one CUP for Phase A, and a second CUP for Phase B. The CUP term requested for each phase and CUP is 40 years. The Applicant proposes to construct, own, operate, and fund the CSF-I project. The Applicant expects both phases of the CSF-I project to produce power by 2013 to 2014.

CSF-I's interconnection will occur at the 230 kV side of the SDG&E Imperial Valley (IV) Substation, located approximately 5 miles northwest of the project site. The Applicant intends to interconnect via 230 kV transmission facilities shared with one or more solar projects in the vicinity; several suitable transmission facilities are currently planned in CSF-I's immediate area. CSF-I intends to transfer electrical power from both of its onsite substations (one each on Phase A and Phase B land) to IV Substation via an offsite shared substation and transmission facility constructed, owned, operated, and funded by Mount Signal Solar Farm I (82LV 8me, LLC), which has a Right-of-Way (ROW) application being processed by the Bureau of Land Management (BLM). Alternatively, CSF-I may:

- 1. Build a single onsite substation located in one of CSF-I's phases, which would collect power generated by both phases of CSF-I and transmit that power to IV Substation via the method described above; or
- 2. "Host" a shared substation onsite in one of CSF-I's phases, which c/would receive power from the other phase as well as from another nearby solar project(s). Power would then be transmitted to IV Substation via shared transmission facilities constructed, owned, operated, and funded by a separate legal entity; or
- Utilize the transmission, substation, and/or O&M facilities of another legal entity(ies) other than those of Mount Signal Solar Farm I, such as another neighboring solar project or a Special Purpose Vehicle (SPV) created to accommodate multiple solar projects' shared transmission, substation, and/or O&M facilities.

In the above alternative scenarios, CSF-I's onsite transmission, substation, and/or O&M facilities c/would be reduced or eliminated, and those areas c/would instead by covered with solar panels.

Any necessary authorization or agreement to share facilities would be obtained from the appropriate legal entity(ies) prior to CSF-I's construction.

The Applicant has considered the following in its selection of the CSF-I site for detailed evaluation:

- Land availability (approximately 1,300 acres);
- Zoning (the CSF-I will be sited on land currently zoned "A-2" General Agriculture, "A-2-R" General Agriculture Rural Zone, and "A3" Heavy Agriculture);
- Minimal environmental consequences (CSF-I will be located on disturbed land currently used for agriculture);
- Water availability (no water wells required);
- Primarily (75%+) low production agricultural land (Farmland of Statewide Importance);
- Long-term land lease (25-year lease commencing with entitlements with a 15-year extension for a total of 40 years)

Project Description



Map of CSF-I Photo Locations



#1 Looking SE



#2 Looking SW

Project Description



#3 Looking SW



#5 Looking SW



#7 Looking SW



#4 Looking SE



#6 Looking NW



#8 Looking NW

Project Description



#9 Looking NE



#11 Looking SE



#10 Looking NE



#12 Looking SW

Up to twelve (12) full time employees will operate the entire CSF-I project (split roughly evenly between phases, and between daytime and nighttime shifts). Typically, up to six (6) staff total for both phases combined will work during the day shift (sunrise to sunset), and the remainder during the night shifts and weekend. As noted earlier, it is possible that one phase of CSF-I would simply feed its power to the other phase. In that scenario, CSF-I's phases would share personnel, thereby reducing the staff required for CSF-I as a whole to a total of approximately ten (10) staff. It is also possible that CSF-I would share another legal entity's O&M facilities. In that scenario, CSF-I c/would also share personnel with that legal entity, thereby reducing or eliminating the onsite staff required for CSF-I.

CSF-I will export and sell the generated electricity via the CAISO grid. After the useful life of the project (up to 40 years) the panels will be disassembled from the steel mounting frames and the site restored to its pre-development condition. CSF-I as a whole is planned to generate up to 200 MW AC of electricity during peak daylight hours (up to 100 MW planned for each phase, or up to 200 MW if technology permits or is available; total for CSF-I as a whole would not exceed 200 MW in either case).

CSF-I will utilize non-reflective photovoltaic (PV) panels (or modules) to convert sunlight directly into electricity. Individual panels will be installed on either fixed-tilt or tracker mount systems, which will stand up to 15 feet high (depending on the mount) while either flat or tilted up to approximately 40 degrees from horizontal. The solar array field will be arranged in grids, and each grid will include an inverter container and a pad-mounted transformer near the center. CSF-I will also have several electrical control containers throughout the project. CSF-I as a

whole will require the installation of up to 1.6 million photovoltaic panels to generate up to 200 MW AC (direct current ("DC") nameplate capacity of approximately 264 MW DC). The initial energy production of CSF-I as a whole will be up to approximately 480,000 MWh per year, sufficient to power over 68,000 homes and displacing over 270,000 tons of CO₂ emissions per year when compared to a gas-fired power plant or 540,000 tons when compared to a coal-fired power plant. This displacement of CO₂ emissions is equivalent to planting approximately 11 to 22 million trees or removing approximately 50,000 to 100,000 cars from the roads, respectively.



Fixed-tilt solar panels



Typical fixed-tilt solar panel rows



Typical single-axis tracking solar panels



Typical single-axis tracking solar panel rows



Typical single-axis tracking solar panel rows



Typical azimuth tracking solar panel rows




¹ See Appendix for enlarged version



Project Site Layout – Phase B¹

¹ See Appendix for enlarged version

The Applicant proposes to situate the solar array on agricultural lands generally located between State Route 98 to the north and the US-Mexico border to the south, and between a private road to the west (½ mile east of Pullman Rd) and a private road to the east (½ west of Ferrell Road). Any Imperial Irrigation District (IID) irrigation canals and drains will remain in place, including maintenance access roads as per IID easements.

The Applicant intends for each phase of CSF-I to have a separate operations and maintenance ("O&M") building (up to approximately 320 square feet each, or 40' x 80' each), with associated parking, which will be constructed near the southeast corner of Brockman Road and SR-98 for Phase A and the southeast corner of Brockman Road and Anza Road for Phase B (see Site Plan in the Appendix). The O&M buildings will be steel framed, with metal siding and roof panels, painted to match the surrounding setting (desert sand). Each O&M building site will have a septic tank and leach field for wastewater disposal. A water system and small water treatment plant will be placed at each O&M building to provide onsite de-ionized water for panel washing.

Panel washing requires about one quart of water for each panel per month. It is estimated that water demand from the IID canal for panel washing and domestic use will not exceed 80 acrefeet per year for CSF-I as a whole (split between phases roughly in proportion to their respective acreages). A total of approximately 20,000 to 70,000 gallons of water for CSF-I as a whole (split between phases roughly in proportion to their respective acreages) will be stored in steel tank(s) placed above ground onsite at the water treatment area, under a metal shade structure. 10,000 gallons of water for each O&M building will be exclusively dedicated for O&M firefighting purposes, i.e., to protect the O&M building only. The Applicant intends to also order and obtain a portion of the landlords' agricultural water allocations (roughly 7,000 acre-feet) from the IID to irrigate and maintain a cover crop (saltgrass or similar) on the disturbed portions of the CSF-I site; alternatively or in addition, a soil stabilizer may also be used. If a cover crop is used onsite, it is estimated that water usage to maintain that cover crop would be up to approximately 350 acre-feet per year (split between phases roughly in proportion to their respective acreages).





Operations and Maintenance (O&M) Building Area – Phase B

Access to the CSF-I is via existing paved roads (SR-98 and Brockman Road). The site will be enclosed with a low voltage, 8-foot high enhanced security fence with perimeter landscaping along public roads. The fencing will be screened with neutral colored slats (or similar) along public roads. The fence and landscaping would largely screen the project from view and beautify the project's frontages to ensure that the project would not adversely impact scenic resources or the visual character of the site and its surroundings. Each O&M building's parking lot and access driveway from will be paved (not curbed). The roads, driveways and parking lots will meet the Department of Public Works and Fire/OES Standards as well as those of the Air Pollution Control District. Alternatively, CSF-I may share the cost of a Wildland Type II (or similar) fire truck with other nearby solar projects to permit the fire department access throughout the site. Parking spaces and walkways will be concreted to meet all California Accessibility Regulations.

The solar array areas will have low lying grass and/or a soil stabilizer to control dust and storm water erosion. A small (48"x 96") metal sign will be mounted at the entrances to CSF-I that identifies the project.

As noted earlier, it is possible that one phase of CSF-I would simply feed its power to the other phase. In that scenario, CSF-I's phases would share O&M facilities and would therefore require only one set of O&M facilities (O&M building with associated parking area, water tank(s), dedicated 10,000 gallons of fire-fighting water to protect the O&M building, etc.). The other O&M

building area would instead be covered by solar panels. It is also possible that CSF-I would share another legal entity's O&M facilities. In that scenario, CSF-I's own onsite O&M facility needs c/would therefore be reduced or eliminated, and any unused O&M building area depicted in the Site Layout c/would instead be covered by solar panels.

<u>APPENDIX D</u> Analysis of Nearby Lands

The Applicant finds that there is no proximate non-contracted land which is both available and suitable for the use to which it is proposed the contracted land be put. The unique siting requirements of a solar farm limit the number of parcels available and suitable for such use. The siting of solar farm facilities largely is determined by the need to locate: (1) at or very near to existing electrical facilities (including transmission lines), (2) with available transmission capacity in the lines to carry the additional electricity produced, which is a function not only of line capacity but also arrangement of the electrical grid to ensure balanced loads.

The Solar Farm Parcels are uniquely suited to the operation of a photovoltaic solar electricity generating facility. It is close to the Imperial Valley (IV) Substation located on nearby federal land managed by the Bureau of Land Management (BLM). The Solar Farm Parcels will interconnect at IV Substation via a planned 230 kV electrical transmission line that will run along the southern border of the Solar Farm Parcels.

The proximity to IV Substation and the planned transmission line in particular limits the difficulty of obtaining easements and the expense of constructing additional transmission line(s). This is important because utility-scale photovoltaic solar energy is at the high-end of the price scale for the range of utility-scale power generation (coal, natural gas, nuclear, solar, wind) and thus it is prudent to minimize additional costs such as extending or adding transmission lines.

Within the one-mile radius of the Solar Farm Parcels, the Solar Farm Parcels are the only parcels properly suited to the Applicant's project objectives. Exhibit "A," attached, shows the one-mile radius around the Solar Farm Parcels. As is clearly visible from the exhibit, the majority of parcels surrounding the Solar Farm Parcels are already tied up for use in planned solar facilities (including the Applicant's proposed project).

Within the Solar Farm Parcels' section (a section is typically approx. 640 acres), half the land is being used by a separate solar farm. An additional parcel is owned by a landowner who is not interested in selling or leasing their property for the Applicant's proposed project. The little remaining land is insufficient in size to accommodate a solar facility of the scale proposed by the Applicant.

Almost the entire section to the west of the Solar Farm Parcels is already being utilized for three proposed solar farms (including the Applicant's proposed project). The little remaining land that is not allocated to a proposed solar farm is insufficient in size to accommodate a solar facility of the scale proposed by the Applicant.

The entire section to the northwest of the Solar Farm Parcels is already tied up for a separate proposed solar farm.

The section to the north of the Solar Farm Parcels consists of three parcels. Two of these parcels are already being utilized for a separate proposed solar farm. The remaining parcel is encumbered by a Williamson Act contract.

Within the section to the northeast of the Solar Farm Parcels, one-and-one-half quarter section is already tied up for a separate proposed solar farm. The remaining land is owned by landowners who are not interested in selling or leasing their property for the Applicant's proposed project, or is insufficient size to accommodate a solar facility of the scale proposed by the Applicant.

Within the section to the east of the Solar Farm Parcels, half the land is already being utilized for the Applicant's proposed solar farm. An additional quarter quarter section is being used for a separate proposed solar farm. The remaining land is owned by landowners who are not interested in selling or leasing their property for the Applicant's proposed project, or is insufficient size to accommodate a solar facility of the scale proposed by the Applicant.

The section to the southeast of the Solar Farm Parcels, located adjacent to the US-Mexico border, comprises two quarter sections. Half the land is already being utilized for a separate proposed solar farm. A quarter of the remaining land is being used for the Applicant's proposed solar farm, while the rest is owned by a landowner who is not interested in selling or leasing the property for the Applicant's proposed project.

The section to the south of the Solar Farm Parcels, located adjacent to the US-Mexico border, is entirely comprised of parcels being utilized by the Applicant's proposed solar farm, with the exception of a small area that is insufficient size to accommodate a solar facility of the scale proposed by the Applicant.

Half of the section to the southwest of the Solar Farm Parcels, located adjacent to the US-Mexico border, is already being used for a separate proposed solar farm. The remaining land consists of three parcels: two are owned by a landowner that is not interested in selling or leasing the property for the Applicant's proposed project, and one is encumbered by a Williamson Act contract.

APPENDIX D, EXHIBIT A – LANDS PROXIMATE TO PROJECT SITE





<u>APPENDIX E</u>

Agricultural Cancellation Findings

Cancellation is not likely to result in the removal of adjacent lands from agricultural use.

Cancellation is not likely to result in the removal of adjacent lands from agricultural use because the proposed use is a solar farm. Typically cancellation of Williamson act contract in an area may result in the removal of adjacent lands if the proposed use for the property is an incompatible use or is a use that encourages leap frog development. The types of development projects that in other parts of the state have resulted in the removal of adjacent lands from agricultural use have included traditional residential and commercial development. Solar farms unlike typical residential or commercial development projects do not encourage the premature removal of adjacent lands because solar farms, as part of their approval and development, generally do not involve the construction of backbone infrastructure (water and sewer) that would accelerate or encourage leap frog development. Additionally, the cancellation is unlikely to be the cause of the removal of additional property from agricultural use because:

- Agricultural operations in the County of Imperial have occurred in parcels of land with or without agricultural contracts regardless of whether those parcels are located within or outside of an agricultural preserve. Therefore, the cancellation of this contract is not likely to result in the removal of adjacent lands from agricultural use.
- Backbone Infrastructure (water and sewer) is not being proposed nor is required as part of this solar farm development project.
- Locating the solar farm within the agricultural property could be found to be a compatible
 use in the agricultural preserve and county as a whole. More specifically, the state
 department of conservation has indicated that in some instances counties like County of
 Imperial may determine that the solar farm to be a compatible use with the underlying
 agricultural use. The County of Imperial could make this analysis whether the proposed
 solar farm significantly interferes with the underlying county wide agricultural operation.
- Locating the solar farm in this area would not significantly interfere with the countywide agricultural operations. More specifically, the removal of this land from agricultural productions would represent approximately 0.25% of the total amount of land devoted to agricultural production in the County. The removal of this land is not likely to result in the removal of adjacent lands from agricultural use.

For the above-stated reasons, the cancellation of the contract for this property will not result in the removal of adjacent lands from agricultural use.

<u>APPENDIX F</u>

Notice of Nonrenewal – Land Conservation Contract

Recoding Requested by:

IMPERIAL COUNTY BOARD OF SUPERVISORS El Centro, California

Return To:

Clerk of the Board County Administration Building Recorded without fee under GCS 27383

Recorded in Official Records, Imperial County Dolores Provencio County Clerk / Recorder			11/10/20 2:22 Pi LL	
IMP County of Imperial				
Doc#: 2010-028459	Titles:	1	Pages:	2
	Fees		0.0	9
	Taxes		0.0	9
	Other		0.0	3
III CADAMEIMEDMIKKISKIIKIALIKAODINIOIIKOUKUKU KUUKU	PAID	••••••	\$0.00	ā

Д.

1

NOTICE OF NONRENEWAL LAND CONSERVATION CONTRACT (WILLIAMSON ACT)

BISHOP KATHERINE BROCKMAN TRUSTEE Preserve #115 Contract #2001-01 Document #BK 2099, PG 729 APN (s) 052-170-078-001; 052-170-076-001; 052-210-001-001; 052-210-002-001; 052-170-035-001

Pursuant to provisions of Section 51245 of the California Government Code, notice is hereby given that there is on file with Imperial County Clerk of the Board a Notice of Nonrenewal of land included in the California Land Conservation Contract (Williamson Act) originally executed between the County of Imperial and KAY BROCKMAN BISHOP_on 12/11/2001 as Document #BK 2099, PG 729 of the Official Records of the County of Imperial and recorded on 12/31/2001 and conveyed to

> BISHOP KATHERINE BROCKMAN TRUSTEE 573 DREW RD CALEXICO, CA 92231

on October 20, 2010. The contract on the aforementioned land, (APN 052-170-078-001; 052-170-076-001; 052-210-001-001; 052-210-002-001; 052-170-035-001) therefore, will terminate on 12/31/2019

October 20, 2010 Date

Louis Fuentes Chairman Imperial County Board of Supervisors

CC: Department of Conservation . Ralph Cordova, County Executive Office Michael Rood, County Counsel Roy Buckner, Assessor

S:WILLIAMSON ACT/2010 County-wide Non Renewal Mailout/NOTICE OF NONRENEWAL (2010 WA).docx

ALL PURPOSE ACKNOWLEDGEMENT

Preserve #115 Contract #2001-01 APN (s) 052-170-078-001; 052-170-076-001; 052-210-001-001; 052-210-002-001; 052-170-035-001

STATE OF CALIFORNIA BOARD OF SUPERVISORS COUNTY OF IMPERIAL



On <u>October 20, 2010</u> before me, <u>Sylvia Bermudez, Clerk of the Board of</u> <u>Supervisors</u> personally appeared <u>Louis A. Fuentes</u> who proved to me on the basis of satisfactory evidence to be the <u>person(s)</u> whose <u>name(s)</u> <u>is</u>/are subscribed to the within instrument and acknowledged to me that <u>he</u>/she/they executed the same in <u>his</u>/her/their authorized <u>capacity</u>(ies) and that by <u>his</u>/her/their signature(s) on the instrument the <u>person(s)</u> or the entity upon behalf of which the <u>person(s)</u> acted, executed the instrument.

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

WITNESS my hand and official seal:



Sylvia Bermudez/Clerk of the Board County of Imperial, State of California



IMPERIAL COUNTY PLANNING & DEVELOPMENT SERVICES DEPARTMENT

AGRICULTURAL PRESERVE PROGRAM APPLICATION FOR DISESTABLISHMENT OR DIMINISHMENT OF AN AGRICULTURAL PRESERVE

INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED

CASE NUMBER

DATE SUBMITTED:_

APPLICATION INFORMATION

APPLICANT OWNERS NAME			PHONE	
88FT 8ME LLC			(213) 281-9771	
MAILING ADDRESS	CITY	STATE	ZIP CODE	
10100 Santa Monica Boulevard, Suite 300	Los Angeles	CA	90067	
PROPERTY OWNERS NAME			PHONE	
Kay Brockman Bishop			(760) 357-2774	
MAILING ADDRESS (street / p.o.)	CITY	STATE	ZIP CODE	
573 Drew Road	Calexico	CA	92231	
ENGINEERS NAME	CAL. LICENSE NO		PHONE	
Jeffrey O. Lyon	RCE31921		(760) 337-1100	
MAILING ADDRESS (street / p.o.)	CITY	STATE	ZIP CODE	
780 North 4 th Street	El Centro	CA	92243	

If the property is owned by more than one person, attach a separate page that reference the application case number and lists the names, mailing addresses, and phone numbers of all persons having an interest in the real property or properties involved in this application.

The Planning & Development Services Department will primarily direct communications regarding this application to the person identified above as the Applicant. The Applicant may be the property owner, representative, or other assigned agent.

Fees collected in excess of the actual cost of providing specific services will be refunded. If additional funds are needed to complete the processing of your application, you will be billed, and processing of the application will cease until the outstanding balance is paid and sufficient funds are available to continue the processing of the application. The applicant understands the deposit fee process as described above, and that there will be NO refund of fees which have been expended as part of the application review or other related activities or services, even if the application is withdrawn or the application is ultimately denied.

I / WE CERTIFY THAT I AM / WE ARE THE OWNER(S) OF RECORD AND THE INFORMATION SUPPLIED INFORMATION, TO THE BEST OF MY KNOWLEDGE, IS TRUE AND CORRECT.

Kay Brockman Bishop 9.22-11 Print Name

SIGNATURE OF PROPERTY OWNER

Thomas Buttgenbach Print Name

b/4/u

AUTHORITY FOR THIS APPLICATION IS HEREBY GIVEN:

If the subject property is owned by persons who have not signed as owners above, attach a separate sheet that references the application case number and lists the printed names and signatures of all persons having an interest in the property. Additionally, an authorized agent must submit a letter from the owner(s) indicating authority to sign the application on the owner's behalf. <u>All signatures must be originals ("wet-signed")</u>. Photocopies of signatures are not acceptable.

PROPERTY INFORMATION:

ASSESSORS PARCEL NO.	SIZE OF PROPERTY (in gross acres)	
052-210-001 and 052-210-002	245 acres	
LEGAL DESCRIPTION (attach separate	sheet if necessary)	
See Appendix A		

GENERAL LOCATION (CROSS STREETS) Bounded by Brockman Road to the west, Highway 98 to the north, Rockwood Road to the east, and a private road to the south.

PROJECT INFORMATION:

Purpose of Request (Check one):

___Disestablishment (Termination of entire Agricultural Preserve)

X___Diminishment (Removal of a portion of the land in an Agricultural Preserve).

Name or Number of the affected Agricultural Preserve: No. 115

Number of Petitions for Cancellation of Contract attached: 1

Has a Notice of Nonrenewal been served on the land involved in this application? Yes X No_____

If yes, state the date(s) of said Notice of Nonrenewal served: October 20, 2010

Related cases filed in conjunction with this request: None

ADDITIONAL INSTRUCTIONS:

- A. Attach a Petition for Cancellation of Contract for each separate ownership of land involved in this application. (A husband and wife, partnership, a corporation, a trust, or a joint ownership is considered one owner.)
- B. If the landowner is a successor-in-interest to the owner who executed the Land Conservation Contract with the County of Imperial, the application must be accomplished with proof of ownership, such as a copy of a deed or title insurance policy.
- C. Attach a map of the land affected by this application showing the properties belonging to the separate ownerships.
- D. Enclose the appropriate deposit-based filing fee for each Disestablishment or Diminishment application, and for each Petition of Cancellation of Contract. (Please make checks or money orders payable to the "County of Imperial.")
- E. Please note that payment of an Environmental Assessment deposit-based fee will be required for this application at the time of submittal, and no Land Conservation Contract can be cancelled until all provisions of the California Environmental Quality Act have been satisfied.
- F. Attach all required applications for the proposed alternative land uses for this property, and all applicable deposit-based fees.

JM/S:FORMS/agricultural preserve program disestablishment application

Owner's Request for Williamson Act Cancellation and Affidavit	Appendix A
Legal Description of Property	Appendix B
Preliminary Title Report.	Appendix C
Lands within Agriculture Preserve	Appendix D

<u>APPENDIX A</u>

Owner's Request for Williamson Act Cancellation and Affidavit

<u>OWNER'S REQUEST TO THE COUNTY OF IMPERIAL FOR CANCELLATION OF</u> <u>WILLIAMSON ACT CONTRACT & AFFIDAVIT</u>

The undersigned owner of those certain lands commonly known as Assessor's Parcel Numbers (APNs) 052-210-001 and 052-210-002 (the "Lands") requests, and petitions for, the partial cancellation of that certain Land Conservation Contract between owner and the County of Imperial recorded December 31, 2001 as Instrument No. 2001-029375 of the Official Records of Imperial County which covers the aforementioned APNs.

Such request is made pursuant to Government Code Section 51281 and we request that a petition for such partial cancellation be made to the County Board of Supervisors as contemplated in Government Code Section 51282 with a finding that cancellation is in the public interest.

Permission is hereby granted to 8Minutenergy Renewables, LLC (and its affiliated company 88FT 8ME, LLC), to take all measures necessary to apply for and complete the request/petition for partial cancellation of the aforementioned Land Conservation Contract imposed on the Lands pursuant to Section 51200 et seq. California Government Code

Ray Snockman OWNER (SIGNATURE)

Kay Brockman Bishop OWNER (TYPED OR PRINT)

NER'S ADDRESS

9-23-11

STATE OF CALIFORNIA		
COUNTY OF Imperal } S.S.		
On Sept. 23, 2011	before me,	
Michele Louise Braig	, personally appeared	
Kay Brockman Psishoo	who proved to me on the basis of	

satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal. Signature

MICHELE LOUISE BEACH COMM. #1824472 NOTARY PUBLIC-CALIFORNIA IMPERIAL COUNTY My Comm. Expires Nov. 25, 2012

ATTENTION NOTARY Although the Information requested below is OPTIONAL, it could prevent fraudulent attachment of this certificate to unauthorized document.

Title or Type of Document		
Number of Pages	Date of Document	
Signer(s) Other Than Named	Above	

<u>APPENDIX B</u> Legal Description of Property

Legal Description of Property

The land referred to herein is situated in the State of California, County of Imperial, Unincorporated Area, and described as follows:

APN 052-210-001

Parcel 1: portion 052-210-01

The northwest quarter of northwest quarter in Section 15, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the Official Plat thereof.

Parcel 2: portion 052-210-01

The south half of north half of Section 15, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the Official Plat thereof.

APN 052-210-002

The northeast quarter of northwest quarter of Section 15, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the Official Plat thereof.

<u>APPENDIX C</u> Preliminary Title Report



PRELIMINARY REPORT

Order Number	:	341047
Title Unit Number	:	7434

Buyer/Borrower Name: :

In response to the above referenced application for a Policy of Title Insurance, Stewart Title of California, Inc. 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 referenced to as an Exception on Schedule B 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 Limits 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.

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 thereto) 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: October 15, 2010 at 7:30 a.m.

Kaz Bernath, Title Officer

When replying, please contact Kaz Bernath, Title Officer

PRELIMINARY REPORT

The form of Policy of Title Insurance contemplated by this report is:

- □ California Land Title Association Standard Coverage Policy
- □ American Land Title Association Owners Policy
- American Land Title Association Residential Title Insurance Policy
- □ American Land Title Association Loan Policy
- CLTA/ALTA Homeowners Policy
- □ ALTA Short Form Residential Loan Policy (06/16/07)

□ 2006 ALTA Loan Policy

SCHEDULE A

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

Fee

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

Kay Brockman Bishop, Trustee of the Revocable Living Trust of Kay Brockman Bishop dated July 20, 2008

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Imperial, Unincorporated Area, and described as follows:

Parcel 1: portion 052-210-01

The northwest quarter of northwest quarter in Section 15, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the Official Plat thereof.

Parcel 2: portion 052-210-01

The south half of north half of Section 15, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the Official Plat thereof.

Parcel 3: 052-210-02

The northeast quarter of northwest quarter of Section 15, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the Official Plat thereof.

(End of Legal Description)

SCHEDULE B

At the date hereof, exceptions to coverage in addition to the printed exceptions and exclusions contained in said policy or policies would be as follows:

Taxes:

A. General and Special City and/or County taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2010 - 2011:

Assessment No.: 052-210-001 1st Installment: \$1,129.48 open 2nd Installment: \$1,129.48 open

First installment taxes not paid by their delinquency date of December 10th, will be subject to a penalty of an additional 10% of the installment due. Second installment taxes not paid by their delinquency date of April 10th, will be subject to a penalty of an additional 10% of the installment due, plus \$10.00.

B. General and Special City and/or County taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2010 - 2011:

Assessment No.: 052-210-002 1st Installment: \$210.85 open 2nd Installment: \$210.85 open

First installment taxes not paid by their delinquency date of December 10th, will be subject to a penalty of an additional 10% of the installment due. Second installment taxes not paid by their delinquency date of April 10th, will be subject to a penalty of an additional 10% of the installment due, plus \$10.00.

C. A bi-annual water availability assessment, if any, in favor of the Imperial Irrigation District.

Exceptions:

- 1. Water rights, claims or title to water in or under said land, whether or not shown by the public records.
- 2. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (commencing with Section 75) of the revenue and taxation code of the State of California.
- 3. Assessments, if any, for community facility districts affecting said land which may exist by virtue of assessment maps or notices filed by said districts. Said assessments are collected with the County Taxes.
- 4. Said land is located within the boundary of the Imperial Irrigation District.

- 5. Rights or claims of easements for canals, drains, laterals, irrigation pipelines and gates not recorded in the public records.
- 6. Title to, and easements in, any portion of the land lying within any highways, roads, streets, or other ways.
- 7. An easement for road purposes, and rights incidental thereto, in favor of Imperial County, as set forth in a document recorded December 24, 1909 in Book 48, Page(s) 28 of Deeds, affects as described in said document.
- 8. Reservations and exceptions contained in the patent recorded July 31, 1911 in Book 3, Page(s) 121 of Patents.

(Affects Parcels 1, 3)

9. Reservations and exceptions in the Patent recorded August 12, 1916 in Book 7, Page(s) 359 of Patents.

(Affects Parcel 2)

- 10. An easement for drain canal, and rights incidental thereto, in favor of William Brandenberg, as set forth in a document recorded June 19, 1926 in Book 121, Page(s) 164 of Official Records, affects as described in said document.
- An easement for irrigation water delivery, and rights incidental thereto, in favor of Harry C. McGafey and Ina Marie McGafey, as joint tenants, as set forth in a document recorded July 11, 1927 in Book 169, Page(s) 164 of Official Records, affects as described in said document.

(Affects Parcel 3)

12. An easement for drain ditch, and rights incidental thereto, in favor of Claude Chandler, as set forth in a document recorded August 6, 1927 in Book 168, Page(s) 476 of Official Records, affects as described in said document.

(Affects Parcel 1)

- 13. An easement for pole lines, and rights incidental thereto, in favor of Southern Sierras Power Company, as set forth in a document recorded November 17, 1931 in Book 321, Page(s) 496 of Official Records, affects as described in said document.
- 14. An easement for a power line, and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded August 9, 1938 in Book 497, Page(s) 391 of Official Records, affects as described in said document.

(Affects Parcels 1, 3)

15. An easement for a power line, and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded August 18, 1938 in Book 498, Page(s) 554 of Official Records, affects as described in said document.

(Affects Parcel 1)

16. An easement for lateral drain, telephone, and/or electric power line, and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded August 31, 1936 in Book 360, Page(s) 118 of Official Records, affects as described in said document.

(Affects Parcel 2)

- 17. An easement for county road, and rights incidental thereto, as set forth in a document recorded August 31, 1936 in Book 360, Page(s) 118 of Official Records, affects as described in said document.
- 18. An easement for all easements used by the Imperial Irrigation District for waste or drainage canals or power or telephone lines and rights incidental thereto as reserved in a document recorded November 30, 1944 in Book 628, Page(s) 271 of Official Records, which affects as said document is described therein.

(Affects Parcel 1)

19. An easement for canal(s), telephone and/or electric power line(s), and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded December 11, 1944 in Book 633, Page(s) 111 of Official Records, affects as described in said document.

(Affects Parcel 1)

20. An easement for canal(s), telephone and/or electric power line(s), and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded October 22, 1947 in Book 684, Page(s) 341 of Official Records, affects as described in said document.

(Affects Parcel 1)

21. An easement for canal(s), telephone and/or electric power line(s), and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded September 16, 1953 in Book 868, Page(s) 476 of Official Records, affects as described in said document.

(Affects Parcel 1)

- 22. An easement, and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded July 24, 1944 in Book 623, Page(s) 203 of Official Records, affects as described in said document.
- 23. An easement for pipeline, and rights incidental thereto, as set forth in a document recorded December 3, 1952 in Book 851, Page(s) 497 of Official Records, affects as described in said document.
- 24. An oil, gas lease, executed by Katherine Fay Bishop aka Katherine Fay Brockman, an unmarried woman, and Katherine Fay Bishop aka Katherine Fay Brockman, as guardian for George H. Bishop, a minor, as lessor and Emefco Petroleum Inc., as lessee, recorded August 28, 1961 in Book 1474, Page(s) 61 of Official Records.

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

Affects: The herein described land and other land.

- 25. An easement for concrete lined canal(s) open and/or underground telephone and/or electric power line(s) overhead and/or underground, and rights incidental thereto, in favor of Imperial Irrigation District, as set forth in a document recorded July 30, 1984 as Instrument No. 49 in Book 1526, Page(s) 820 of Official Records, affects as described in said document.
- 26. Covenants and restrictions imposed by a Land Conservation Contract executed pursuant to Section 51200 et. seq. California Government Code, recorded December 31, 2001 in Book 2099, Page(s) 729 of Official Records.
- 27. The effect of a Record of Survey on file in Book 4 Page 5, of Records of Survey, which purports to show the herein described property.
- 28. Easements as shown and/or dedicated upon the Map, for supply ditch, recorded in Book 4 Page 5, in the Office of the County Recorder of Imperial County.
- 29. Easements as shown and/or dedicated upon the Map, for head ditch, recorded in Book 4 Page 5, in the Office of the County Recorder of Imperial County.
- 30. Easements as shown and/or dedicated upon the Map, for woodbine Lat #2 recorded in Book 4 Page 5, in the Office of the County Recorder of Imperial County.
- 31. Any invalidity or defect in the title of the vestees in the event that the trust referred to in the vesting portion of Schedule A is invalid or fails to grant sufficient powers to the trustee(s) or in the event there is a lack of compliance with the terms and provisions of the trust instrument.
- 32. Rights of parties in possession.
- 33. Loss or damage by reason of the improvements, if any, located on the land described herein being declared to be personal property.

(End of Exceptions)

NOTES AND REQUIREMENTS

None

CALIFORNIA "GOOD FUNDS" LAW

California Insurance Code Section 12413.1 regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow account and available for withdrawal prior to disbursement. Funds received by Stewart Title of California, Inc. via wire transfer may be disbursed upon receipt. Funds received via cashier's checks or teller checks drawn on a California Bank may be disbursed on the next business day after the day of deposit. If funds are received by any other means, recording and/or disbursement may be delayed, and you should contact your title or escrow officer. All escrow and sub-escrow funds received will be deposited with other escrow funds in one or more non-interest bearing escrow accounts in a financial institution selected by Stewart Title of California, Inc.. Stewart Title of California, Inc. may receive certain direct or indirect benefits from the financial institution, and Stewart Title of California, Inc. shall have no obligation to account to the depositing party in any manner for the value of, or to pay to such party, any benefit received by Stewart Title of California, Inc.. Such benefits shall be deemed additional compensation to Stewart Title of California, Inc.. for its services in connection with the escrow or sub-escrow.

If any check submitted is dishonored upon presentation for payment, you are authorized to notify all principals and/or their respective agents of such nonpayment.

Wire Instructions

If you anticipate having funds wired to Stewart Title of California, Inc., our wiring information is as follows:

Additional Note: Direct wire transfers to:

Union Bank 1980 Saturn Street Monterey Park, CA 91755

Routing Number: 122000496 Credit to Stewart Title of California, Inc. Sub-Escrow Trust Account Account Number: 9120050750 Reference Order Number: 341047 Title Unit Number: 7434 Title Officer Name: Kaz Bernath

When instructing the financial institution to wire funds, it is very important that you reference Stewart Title of California, Inc.'s order number.

Should you have any questions in this regard please contact your title officer immediately.

4 4STG Privacy Notice 1 (Rev 01/26/09) Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information	Do we share?	Can you limit this sharing?
For our everyday business purposes — to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
For our marketing purposes— to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes — information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and nonfinancial companies. <i>Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company</i>	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness.	No	We don't share
For our affiliates to market to you	Yes	No
For nonaffiliates to market to you. Nonaffiliates are companies not related by common ownership or control. They can be financial and nonfinancial companies.	No	We don't share

We may disclose your personal information to our affiliates or to nonaffiliates as permitted by law. If you request a transaction with a nonaffiliate, such as a third party insurance company, we will disclose your personal information to that nonaffiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

Sharing practices		
How often do the Stewart Title Companies notify me about their practices?We must notify you about our sharing practices when you request a tra		
How do the Stewart Title Companies protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal and state law. These measures include computer, file, and building safeguards.	
How do the Stewart Title Companies collect my personal information? We collect your personal information, for example, when you • request insurance-related services • provide such information to us We also collect your personal information from others, such as the real estate age lender involved in your transaction, credit reporting agencies, affiliates or companies.		
What sharing can I limit? Although federal and state law give you the right to limit sharing (e.g., opt or certain instances, we do not share your personal information in those instances.		
Contact UsIf you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056		

EXHIBIT A (Revised 11-17-04)

CLTA PRELIMINARY REPORT FORM (Revised 11-17-06)

SCHEDULE B

CLTA PRELIMINARY REPORT FORM LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990 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 which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims or other matters:

(a) whether or not recorded in the public records at Date of Policy, but 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; or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.

5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which 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, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

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

1. Taxes or assessments which 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.

Proceedings by a public agency which 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 which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.

3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are 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.

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, which arise by reason of:

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10/22/03) ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE 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 ordinances, laws and regulations concerning:

a. building

- b. zoning
- c. Land use
- d. improvements on the Land
- e. Land division
- f. environmental protection

This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.

This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.

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 apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.

- 3. The right to take the Land by condemning it, unless:
 - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
 - b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;

b. that are Known to You at the Policy Date, but not to Us, unless they appear 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.d, 22, 23, 24 or 25.
- 5. Failure to pay value for Your Title.
- 6. Lack of a right:

4

- 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 18.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

* For Covered Risk 14, 15, 16 and 18, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A. The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

Your Dec	luctible Amount	Our Maximum Dollar
Limit of Liability		
Covered Risk 14:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 15:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 16:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 18:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

AMERICAN LAND TITLE ASSOCIATION 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:

- land use
- improvements on the land
- land division
- 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 notice of exercising the right appears in the public records
- on the Policy Date
- 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:
- that are created, allowed, or agreed to by you
- that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records
- that result in no loss to you
- 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:
- to any land outside the area specifically described and referred to in Item 3 of Schedule A
- OR
- in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92) WITH ALTA ENDORSEMENT - FORM 1 COVERAGE

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

(a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy.

- Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at date of policy, but not excluding from coverage any taking which has occurred prior to date of policy which would be binding on the rights of a purchaser for value without knowledge.
- 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 (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to the assessments for street improvements under construction or completed at date of policy); or

(e) resulting in loss or damage, which 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 the insured at date of policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
- 5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which 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 statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to date of policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at date of policy the insured has advanced or is obligated to advance.

- 7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - I. The transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
 - II. The subordination of the interest of the insured mortgagee as a result of the application of the doctrine or equitable subordination; or
 - III. The transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely recorded the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms 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 include the following General Exceptions:

EXCEPTIONS FROM COVERAGE

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

- 1. Taxes or assessments which 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.
- Proceedings by a public agency which 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 which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
- 3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
- 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are 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.

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. 3.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

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 doingbusiness 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).

AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92) EXCLUSIONS FROM COVERAGE

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

- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy. (B) any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at date of policy.
- Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at date of policy, but not excluding from coverage any taking which has occurred prior to date of policy which would be binding on the rights of a purchaser for value without knowledge.
 - 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; or

(E) Resulting in loss or damage, which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors rights laws, that is based on:

- I. The transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
- II. The transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (A) To timely record the instrument of transfer; or
 - (B) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms 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 include the following general exceptions:

EXCEPTIONS FROM COVERAGE

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

- 1. Taxes or assessments which 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 proceedings by a public agency which 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 which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
- 3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
- 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are 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.

2006 ALTA OWNER'S POLICY (06-17-06)

3.

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.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01) 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 which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that s notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the Public Records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without Knowledge.

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 (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); or

(e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
 Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the Land is situated.

Invalidity or unenforceability of the lien of the Insured Mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
 Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(e) and 26.

CLTA Preliminary Report Form

7. 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 limit the coverage provided in Covered Risk 8.

8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are Known to the Insured at:

(a) The time of the advance; or

(b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of Interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.

9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.

EXHIBIT "A" LEGAL DESCRIPTION

Order No.: 341047 Escrow No: 341047

The land referred to herein is situated in the State of California, County of Imperial, Unincorporated, and described as follows:

Parcel 1: portion 052-210-01

The northwest quarter of northwest quarter in Section 15, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the Official Plat thereof.

Parcel 2: portion 052-210-01

The south half of north half of Section 15, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the Official Plat thereof.

Parcel 3: 052-210-02

The northeast quarter of northwest quarter of Section 15, Township 17 south, Range 13 east, San Bernardino Base and Meridian, in an unincorporated area of the County of Imperial, State of California, according to the Official Plat thereof.

(End of Legal Description)

AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT

Date: October 25, 2010

То :

052-210-001 and 052-210-002 Property: Imperial, California

From: Stewart Title of California, Inc.

This is to give you notice that Stewart Title of California, Inc. ("Stewart Title") has a business relationship with Stewart Solutions, LLC, DBA – Stewart Specialty Insurance Services, LLC ("Stewart Insurance"). Stewart Information Services Corporation owns 100% of Stewart Insurance and Stewart Title of California. Because of this relationship, this referral may provide Stewart Title a financial or other benefit.

Set forth below is the estimated charge or range of charges for the settlement services listed. You are NOT required to use the listed provider(s) as a condition for purchase, sale, or refinance of the subject Property. THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

Stewart Insurance Settlement Service	Charge or range of charges
Hazard Insurance	\$400.00 to \$6,500.00
Home Warranty	\$255.00 to \$ 780.00
Natural Hazard Disclosure Report	\$ 42.50 to 149.50

ACKNOWLEDGMENT

I/we have read this disclosure form, and understand that Stewart Title is referring me/us to purchase the above-described settlement service(s) and may receive a financial or other benefit as the result of this referral.

Signature

Signature

Order No. 341047

AVAILABLE DISCOUNTS DISCLOSURE STATEMENT

This is to give you notice that Stewart Title of California, Inc. ("Stewart Title") is pleased to inform you that upon proper qualification, there are premium discounts available upon the purchase of title insurance covering improved property with a one to four family residential dwelling.

Such discounts apply to and include:

Property located within an area proclaimed a state or federal disaster area;

Property purchased from a foreclosing beneficiary or successful bidder at a foreclosure sale;

Property being refinanced.

Please talk with your escrow or title officer to determine your qualification for any of these discounts.

<u>APPENDIX D</u> Lands within Agriculture Preserve

APPENDIX D – LANDS WITHIN AGRICULTURE PRESERVE NO. 115





Owned by Kay Brockman Bishop

NOTE: All shaded parcels are within the Agriculture Preserve