



19990483295 3:06pm 06/29/99

005 12057711 12 14  
E01 13 6.00 36.00 0.00 0.00 0.00 0.00

RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

Hewitt & McGuire, LLP  
19900 MacArthur Boulevard, Suite 1050  
Irvine, CA 92612  
Attn: Mark R. McGuire

(Space Above Line for Recorder's Use)

### CONSERVATION EASEMENT DEED

THIS CONSERVATION EASEMENT DEED is made this 16 day of June, 1999  
by Laing Forster Ranch LLC, a Delaware limited liability company (herein "Grantor") in favor of  
the UNITED STATES OF AMERICA acting by and through the U.S. Army Corps of Engineers  
("Grantee") with reference to the following facts:

#### RECITALS

A. Grantor is the sole owner in fee simple of certain real property located in the  
City of San Clemente, County of Orange, State of California, legally described in Exhibit "A" and  
depicted on Exhibits "B" and "C" attached hereto and incorporated by this reference (the  
"Property");

B. The Property contains "waters" of the United States" (as well as a minimum  
20 foot buffer areas on both sides) that possess aquatic, wildlife habitat and biological values  
(collectively, "Conservation Values") of great importance to Grantee;

C. The Property contains approximately 18,573 lineal feet of "waters of the  
United States."

D. Preservation of the Property is required to partially mitigate for the Laing  
Forster Ranch Project's impacts to "waters of the United States" located in the City of San Clemente,  
County of Orange, State of California. This Conservation Easement Deed is intended to satisfy  
Special Condition 4(a) of Section 404 permit No. 98-00224-VAW, which was issued to Laing  
Forster Ranch, LLC ("Laing") by the United States Army Corps of Engineers ("Corps") on May 20,  
1999, pursuant to its authority under the federal Clean Water Act (33 U.S.C. 1344).

E. Grantor and Grantee hereby agree that the third-party right of enforcement  
shall be held by the appropriate enforcement agencies of the United States.

IT  
127  
7A  
7CF

## COVENANTS, TERMS, CONDITIONS AND RESTRICTIONS

In consideration of the above recitals and the mutual covenants, terms, conditions, and restrictions contained herein, and pursuant to California law, including Civil Code Section 815, *et seq.*, Grantor hereby voluntarily deeds and conveys to Grantee a conservation easement in perpetuity over the Property, such restrictions shall run with the land and be binding on Grantor's heirs, successors, administrators, assigns, lessees, or other occupiers and users.

1. Purpose. The purpose of this Conservation Easement is to ensure the Property will be retained forever in a natural condition, defined below, and to prevent any use of the Property that will significantly impair or interfere with the Conservation Values of the Property. Grantor intends that this Conservation Easement will confine the use of the Property to such activities, including without limitation, those involving the preservation and enhancement of native species and their habitat in a manner consistent with the habitat conservation purposes of this Conservation Easement.

(a) The term natural condition shall initially mean the condition of the protected property at the time of this grant. The natural condition shall be evidenced by delivery to Grantee of a surveyed plat of the protected property showing all relevant property lines, all existing man-made improvements and structures, and major, distinct natural features such as waters of the United States. Further evidence will be: (1) an aerial photograph of the protected property at an appropriate scale taken close in time to the date the grant is made; (2) on-site photographs showing all man-made improvements or structures, and all major natural features.

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

(a) To preserve and protect the Conservation Values of the Property;

(b) To enter upon the Property at reasonable times in order to monitor Grantor's compliance with and to otherwise enforce the terms of this Conservation Easement and for scientific research and interpretive purposes by Grantee or their designees, provided that Grantee shall not unreasonably interfere with Grantor's use and quiet enjoyment of the Property;

(c) To prevent any activity on or use of the Property that is inconsistent with the purposes of this Conservation Easement and to require the restoration of such areas or features of the Property that may be damaged by any act, failure to act, or any use that is inconsistent with the purposes of this Conservation Easement;

(d) All mineral, air and water rights necessary to protect and to sustain the biological resources of the Property; and

(e) All present and future development rights.

3. Prohibited Uses. Any activity on or use of the Property inconsistent with the purposes of this Conservation Easement is prohibited. Without limiting the generality of the foregoing, the following uses by Grantor, Grantor's agents, and third parties, are expressly prohibited:

(a) Unseasonal watering, use of herbicides, rodenticides, or weed abatement activities, incompatible fire protection activities and any and all other uses which may adversely affect the purposes of this Conservation Easement;

(b) Use of off-road vehicles;

(c) Grazing or surface entry for exploration or extraction of minerals;

(d) Erecting of any building, billboard, sign;

(e) Depositing of soil, trash, ashes, garbage, waste, bio-solids or any other material;

(f) Excavating, dredging or removing of loam, gravel, soil, rock, sand or other material;

(g) Otherwise altering the general topography of the Property, including but not limited to building of roads and flood control work;

(h) Removing, destroying, or cutting of trees, shrubs or other vegetation, except as required by law for (1) fire breaks, (2) maintenance of existing foot trails or roads, or (3) prevention or treatment of disease; and

(i) establishment of any easement, for any purpose (without the written consent of Grantee), within the boundaries of the Property not already in existence as of May 20, 1999.

4. Grantor's Duties. Grantor shall undertake reasonable actions to prevent the unlawful entry and trespass by persons whose activities may degrade or harm the Conservation Values of the Property.

5. Reserved Rights. Grantor reserves to itself, and to its personal representatives, heirs, successors, and assigns, all rights accruing from its ownership of the Property, including the right to engage in or to permit or invite others to engage in all uses of the Property that are consistent with the purposes of this Conservation Easement.

6. Grantee's Remedies. If Grantee determines that Grantor is in violation of the terms of this Conservation Easement or that a violation is threatened, Grantee shall give written notice to Grantor of such violation and demand in writing the cure of such violation. If Grantor fails to cure the violation within fifteen (15) days after receipt of said written notice and demand, or said cure reasonably requires more than fifteen (15) days to complete and Grantor fails to begin the cure

within the fifteen (15) day period or fails to continue diligently to complete the cure, Grantee may bring an action at law or in equity in a court of competent jurisdiction to enforce compliance by Grantor with the terms of this Conservation Easement, to recover any damages to which Grantee may be entitled for violation by Grantor of the terms of this Conservation Easement, to enjoin the violation, *ex parte* as necessary, by temporary or permanent injunction without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies, or for other equitable relief, including, but not limited to, the restoration of the Property to the condition in which it existed prior to any such violation or injury. Without limiting Grantor's liability therefore, Grantee may apply any damages recovered to the cost of undertaking any corrective action on the Property.

If Grantee, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values of the Property, Grantee may pursue its remedies under this paragraph without prior notice to Grantor or without waiting for the period provided for cure to expire. Grantee's rights under this paragraph apply equally to actual or threatened violations of the terms of this Conservation Easement. Grantor agrees that Grantee's remedies at law for any violation of the terms of this Conservation Easement are inadequate and that Grantee shall be entitled to the injunctive relief described in this section, both prohibitive and mandatory, in addition to such other relief to which Grantee may be entitled, including specific performance of the terms of this Conservation Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. Grantee's remedies described in this section shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity, including but not limited to, the remedies set forth in Civil Code Section 815, *et seq.*, inclusive.

If at any time in the future Grantor or any subsequent transferee uses or threatens to use such lands for purposes inconsistent with this Conservation Easement, notwithstanding Civil Code Section 815.7, the California Attorney General, and/or the U.S. Attorney has standing to enforce this Conservation Easement.

6.1 Costs of Enforcement. Any costs incurred by Grantee in enforcing the terms of this Conservation Easement against Grantor, including, but not limited to, costs of suit and attorneys' fees, and any costs of restoration necessitated by Grantor's violation or negligence under the terms of this Conservation Easement shall be borne by Grantor.

6.2 Grantee's Discretion. Enforcement of the terms of this Conservation Easement shall be at the discretion of the Grantee, and any forbearance by Grantee to exercise its rights under this Conservation Easement in the event of any breach of any term of the Conservation Easement shall not be construed to be a waiver by Grantees of such terms or of any subsequent breach of the same or any other term of this Conservation Easement or of any of Grantee's rights under this Conservation Easement. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantor shall impair such right or remedy or be construed as a waiver. Further, nothing in this Conservation Easement creates non-discretionary duty upon the Grantees to enforce its provisions, nor shall deviation from these terms and procedures, or failure to enforce its provisions give rise to a private right of action against Grantee by any third parties.

6.3 Acts Beyond Grantor's Control. Nothing contained in this Conservation Easement shall be construed to entitle Grantee to bring any action against Grantor for any significant injury to or change in the Property resulting from causes beyond Grantor's control, including: fire, flood, storm, and earth movement, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property or immediately adjacent property resulting from such causes. Such excuse from performance by Grantor shall only be allowed if such Catastrophic Event (or emergency event beyond Grantor's control) has caused a substantial failure of or degradation of the conservation and environmental values on the Property.

6.4 Right of Enforcement. All rights and remedies conveyed to Grantee under this Conservation Easement Deed shall extend to and are enforceable by the Corps, the U.S. Department of Justice, and the California Attorney General.

7. Access. This Conservation Easement does not convey a general right of access to the public.

8. Costs and Liabilities. Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Property.

8.1 Taxes. Grantor shall pay before delinquency all taxes, assessments, fees, and charges of whatever description levied on or assessed against the Property by competent authority (collectively "taxes"), including any taxes imposed upon, or incurred as a result of, this Conservation Easement, and shall furnish Grantee with satisfactory evidence of payment upon request.

8.2 Hold Harmless. Grantor shall hold harmless, indemnify, and defend Grantee and their directors, officers, employees, agents, contractors, and representatives (collectively "Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including without limitation, reasonable attorneys' fees, arising from or in any way connected with: (1) injury to or the death of any person, or physical damages to any property, resulting from any negligent or willful act or omission of Grantor, its agents and employees occurring on or about the Property; (2) the obligations specified in Sections 4, 8, and 8.1; and (3) the existence or administration of this Conservation Easement.

8.3 Condemnation. The purposes of the Conservation Easement are presumed to be the best and most necessary public use as defined at Civil Procedure Code Section 1240.680 notwithstanding Civil Procedure Code Sections 1240.690 and 1240.700.

9. Assignment. This Conservation Easement is transferable, but Grantee may assign its rights and obligations under this Conservation Easement only to an entity or organization authorized to acquire and hold conservation easements pursuant to Civil Code Section 815.3, or a bonafide land trust. Grantee shall require the assignee to record the assignment in the county where the property is located.

10. Subsequent Transfers. Grantor agrees to incorporate the terms of this Conservation Easement in any deed or other legal instrument by which Grantor divests itself of any interest in all or a portion of the Property, including, without limitation, a leasehold interest. Grantor further agrees to give written notice to Grantee of the intent to transfer of any interest at least fifteen (15) days prior to the date of such transfer. Grantee shall have the right to prevent subsequent transfers in which prospective subsequent claimants or transferees are not given notice of the covenants, terms, conditions and restrictions of this Conservation Easement. The failure of Grantor or Grantee to perform any act provided in this section shall not impair the validity of this Conservation Easement or limit its enforceability in any way.

11. Notices. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other shall be in writing and be served personally or sent by first class mail, postage prepaid, addressed as follows:

To Grantor:                   Laing Forster Ranch LLC  
                                      915 Calle Amanecer, Suite C  
                                      San Clemente, CA 92673  
                                      Attn: Ken Nishikawa

To Grantee:                    U.S. Army Corps of Engineers  
                                      District Counsel  
                                      U.S. Army Corps of Engineers  
                                      911 Wilshire Blvd, Room 1535  
                                      Los Angeles, CA 90017-3401

or to such other address as either party shall designate by written notice to the other. Notice shall be deemed effective upon delivery in the case of personal delivery or, in the case of delivery by first class mail, five (5) days after deposit into the United States mail.

12. Extinguishment. This Conservation Easement may be extinguished by Grantor and Grantee by mutual written agreement upon the request of either party only after the requesting party acquires and records a perpetual conservation easement in the name of the State of California at an alternative location, which provides Conservation Values that satisfy the specific mitigation purposes of this Conservation Easement as stated in Paragraph D.

13. Amendment. This Conservation Easement may be amended by Grantor and Grantee by mutual written agreement. Any such amendment shall be consistent with the purposes of this Conservation Easement and, except as provided in Section 12, shall not affect its perpetual duration. Any such amendment shall be recorded in the official records of Orange County, State of California.

14. General Provisions.

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

(b) Liberal Construction. Any general rule of construction to the contrary notwithstanding, this Conservation Easement shall be liberally construed in favor of the deed to effect the purpose of this Conservation Easement and the policy and purpose Civil Code Section 815, *et seq.* If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purposes of this Conservation Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.

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

(d) Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to the Conservation Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Conservation Easement. No alteration or variation of this instrument shall be valid or binding unless contained in an amendment in accordance with Section 13.

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

(f) Successors. The covenants, terms, conditions, and restrictions of this Conservation Easement Deed shall be binding upon, and inure to the benefit of, the parties hereto and their respective personal representatives, heirs, successors, and assigns and shall continue as a servitude running in perpetuity with the Property.

(g) Termination of Rights and Obligations. A party's rights and obligations under this Conservation Easement terminate upon transfer of the party's interest in the Conservation Easement or Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

(h) Captions The captions in this instrument have been inserted solely for convenience of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.

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

IN WITNESS WHEREOF Grantor and Grantee have entered into this Conservation Easement the day and year first above written.

LAING FORSTER RANCH LLC, a Delaware  
limited liability company

By: WL HOMES LLC, a Delaware limited  
liability company

By: Ken Nishikawa  
Ken Nishikawa, Vice President

Approved as to Form:

By: John Gleason  
John Gleason, Assistant District Counsel  
U.S. Army Corps of Engineers

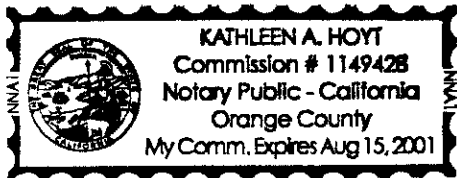


**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California }  
County of Orange } ss.

On June 16, 1999, before me, Kathleen A. Hoyt,  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")  
personally appeared Ken Nishikawa,  
Name(s) of Signer(s)

- personally known to me
- 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.

WITNESS my hand and official seal.

Kathleen A. Hoyt  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

**Description of Attached Document**

Title or Type of Document: Conservation Easement Deed

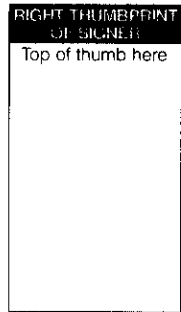
Document Date: June 16, 1999 Number of Pages: 8

Signer(s) Other Than Named Above: n/a

**Capacity(ies) Claimed by Signer**

- Signer's Name: Ken Nishikawa
- Individual
  - Corporate Officer — Title(s): \_\_\_\_\_
  - Partner —  Limited  General
  - Attorney in Fact
  - Trustee
  - Guardian or Conservator
  - Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Conservation Easement Deed by Laing Forster Ranch, LLC, dated June 16, 1999, on behalf of the United States, acting by and through the U.S. Army Corps of Engineers, accepted by the undersigned officers on behalf of Corps.

GRANTEE:

U.S. ARMY CORPS OF ENGINEERS

By: Donald J. Schuch  
Title: Chief, Regulatory Branch  
Authorized Representative  
Date: 6-28-99

**EXHIBIT "A"**

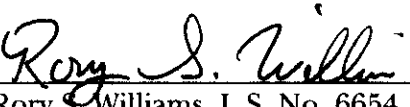
**LEGAL DESCRIPTION OF THE PROPERTY**

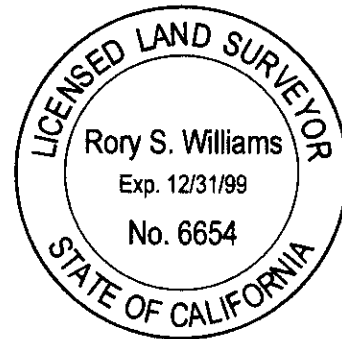
That portion of Parcel 1, in the City of San Clemente, County of Orange, State of California, as shown on Lot Line Adjustment LL-98-83, recorded November 2, 1998, as Instrument No. 19980743412, of Official Records of said County, lying 22.00 feet on either side of the U.S. Army Corps of Engineers Jurisdictional drainage courses therein.

Except therefrom that portion of said Parcel 1, lying within Parcel Map No. 98-170, as shown by a map filed in Book 305, Pages 1 through 5, inclusive, of Parcel Maps, in the office of the County Recorder of said County.

Also except therefrom the future Development Parcels, future Camino Del Rio, future Avenida Vista Hermosa, and future Avenida La Pata, and incidental grading areas.

As generally depicted on Exhibits "B" and "C", attached hereto and by this reference made a part hereof.

  
\_\_\_\_\_  
Rory S. Williams, L.S. No. 6654  
License Expires: December 31, 1999

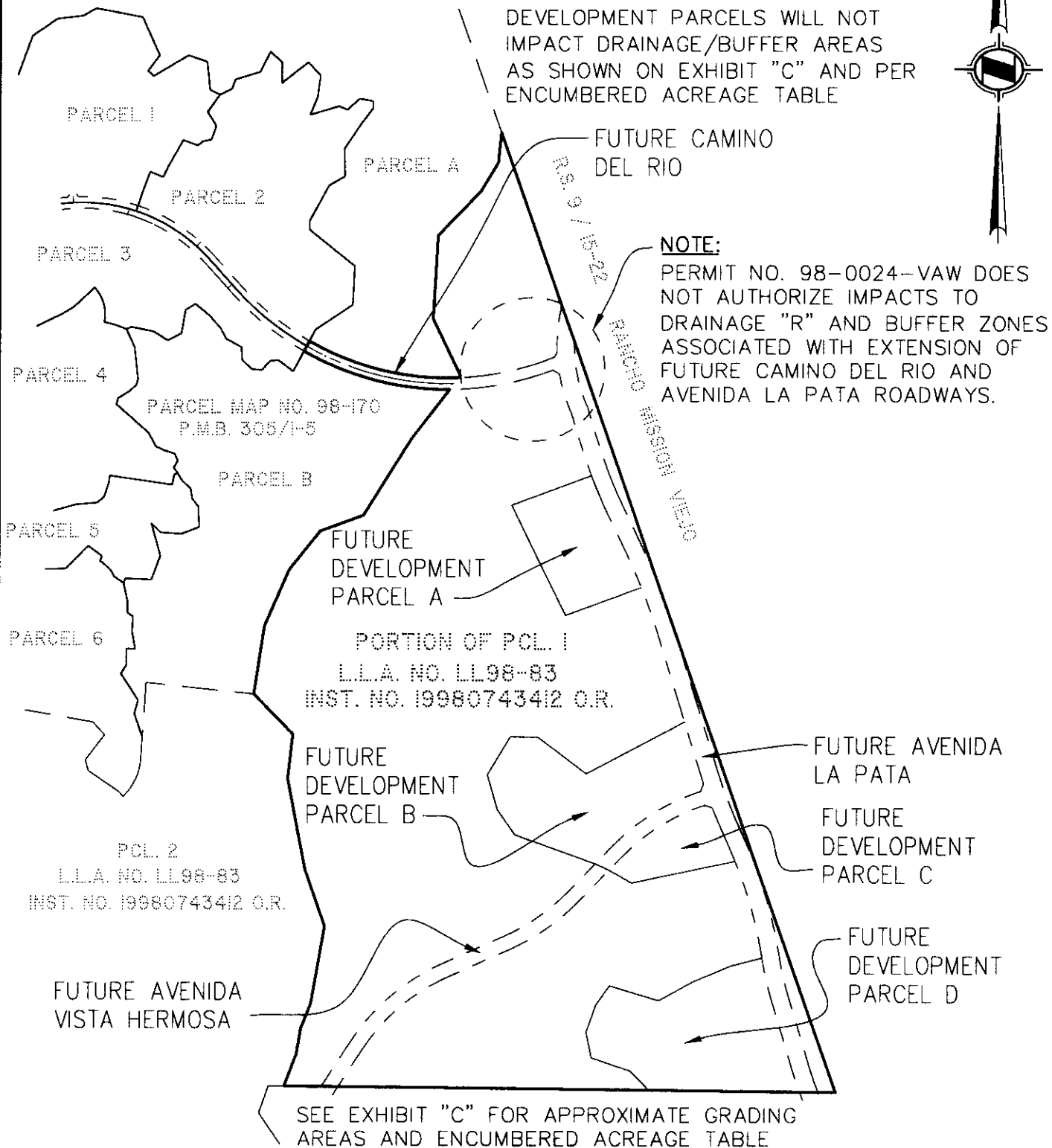
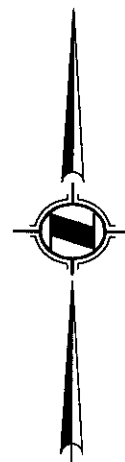



*Revised* June 16, 1999  
May 14, 1999  
Page 1 of 1  
W.O. 2107-1X  
H&A Legal No.: 4728  
Prepared by: R. Williams  
Checked by: V. Edge/tl

# EXHIBIT "B"

Sketch to Accompany Legal Description

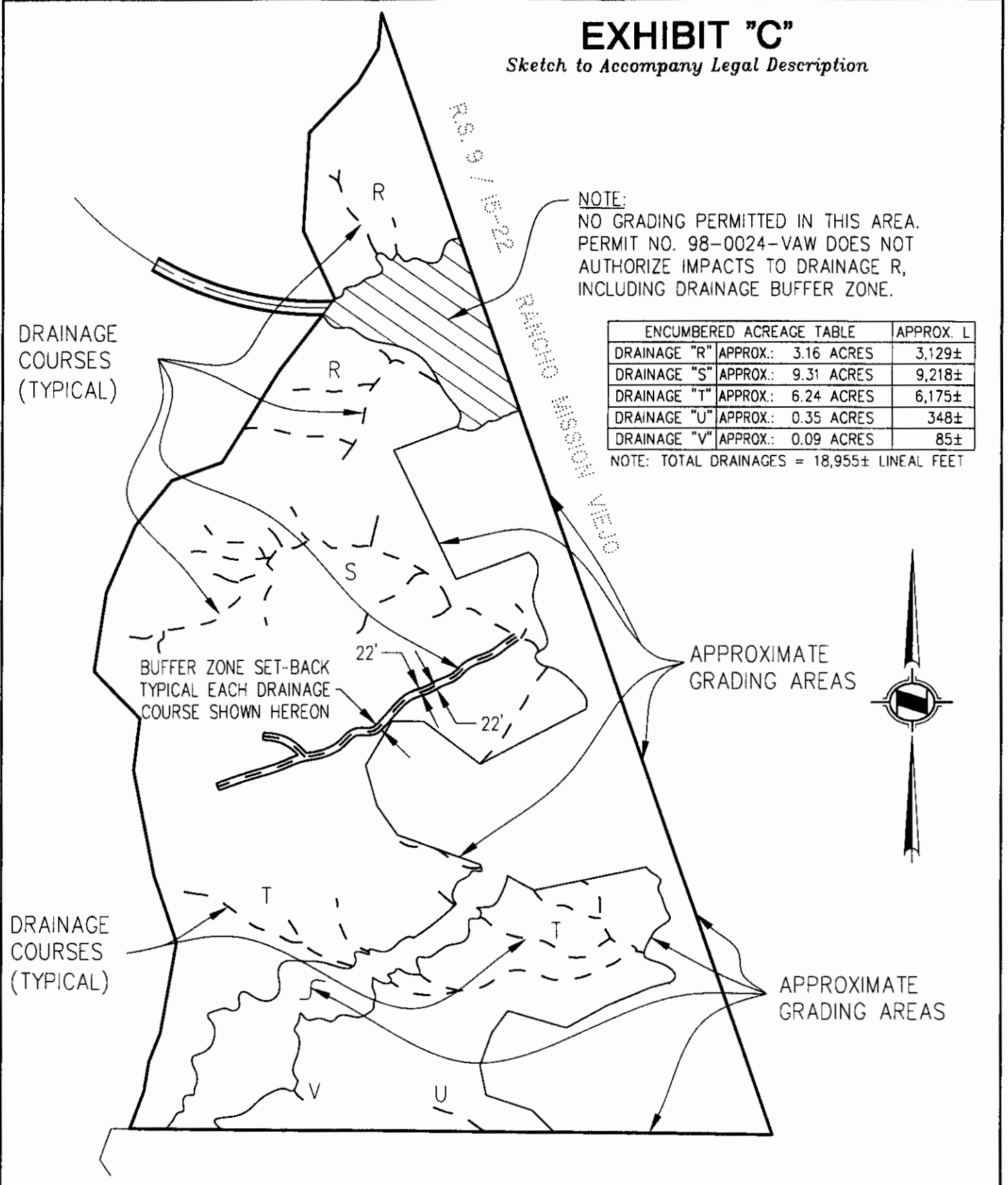
**NOTE:**  
DEVELOPMENT PARCELS WILL NOT  
IMPACT DRAINAGE/BUFFER AREAS  
AS SHOWN ON EXHIBIT "C" AND PER  
ENCUMBERED ACREAGE TABLE



 <b>HUNSAKER &amp; ASSOCIATES</b> IRVINE, INC. PLANNING • ENGINEERING • SURVEYING Three Hughes • Irvine, CA 92618 • PH: (714) 583-1010 • FX: (714) 583-0759		<b>DEPICTION OF THE PROPERTY SHOWING EXCEPTION AREAS</b> IN THE CITY OF SAN CLEMENTE, COUNTY OF ORANGE, STATE OF CALIFORNIA	
DATE: 5-14-99	REV. DATE: 6-16-99	DWG. By: R. Williams	CK'd By: V. Edge
I:\FORSTER\LD\4728\EXHIBITB.DWG		LOG IN: ACAD-MC	SCALE: NONE
		H&A LEGAL No. 4728	W.O. 2107-1X
			SHEET 1 OF 1

# EXHIBIT "C"

Sketch to Accompany Legal Description



ENCUMBERED ACREAGE TABLE		APPROX. L
DRAINAGE "R"	APPROX.: 3.16 ACRES	3,129±
DRAINAGE "S"	APPROX.: 9.31 ACRES	9,218±
DRAINAGE "T"	APPROX.: 6.24 ACRES	6,175±
DRAINAGE "U"	APPROX.: 0.35 ACRES	348±
DRAINAGE "V"	APPROX.: 0.09 ACRES	85±

NOTE: TOTAL DRAINAGES = 18,955± LINEAL FEET

DRAINAGE COURSES (TYPICAL)

DRAINAGE COURSES (TYPICAL)

22'  
22'  
BUFFER ZONE SET-BACK  
TYPICAL EACH DRAINAGE  
COURSE SHOWN HEREON

APPROXIMATE  
GRADING AREAS

APPROXIMATE  
GRADING AREAS



**HUNSAKER & ASSOCIATES**  
IRVINE, INC.  
PLANNING • ENGINEERING • SURVEYING  
Three Hughes • Irvine, CA 92618 • PH: (714) 583-1010 • FX: (714) 583-0759

**DEPICTION OF THE PROPERTY  
SHOWING DRAINAGE AND GRADING AREAS**  
IN THE CITY OF SAN CLEMENTE, COUNTY OF ORANGE, STATE OF CALIFORNIA

DATE: 5-14-99	REV. DATE: 6-23-99	.DWG By: R. Williams	CK'd By: V. Edge	SCALE: NONE	W.O. 2107-1X
I:\FORSTER\LD\4728\EXHIBITC.DWG			LOG IN: ACAD-MC	H&A LEGAL No. 4728	SHEET 1 OF 1