

**REAL PROPERTY
PURCHASE & SALE AGREEMENT
Haroutunian North Property**

This Agreement, dated as of the date executed by the Seller's General Manager (the "Effective Date"), is by and between Sonoma County AGRICULTURAL PRESERVATION & OPEN SPACE DISTRICT, a special district formed pursuant to California Public Resources Code §§5500 et seq., (the "Seller") and TIERRA VEGETABLES, INC., a California S Corporation, (the "Buyer").

RECITALS

WHEREAS, Seller owns and is offering for sale the real property located at 651 Airport Blvd. Santa Rosa, CA, and currently identified by the Sonoma County Assessor's Office as Assessor's Parcel Numbers 059-230-88 and 059-230-89, and more completely described in **Exhibit A**, attached and incorporated by this reference (the "Real Property");

WHEREAS, Seller acquired the Real Property in 1998 to maintain its open space character and agricultural uses. Seller's Board of Directors authorized the purchase with the intention to sell the land to a farmer subject to a conservation easement protecting its open space and agricultural values;

WHEREAS, in 2002, Seller entered into a lease agreement with Buyer for agricultural use of the Real Property;

WHEREAS, in 2011 Seller entered into an amended lease agreement with Buyer that entailed an agreement to negotiate an option to purchase the Real Property, which negotiations have culminated in the formation of this Agreement;

WHEREAS, Buyer, having leased the Real Property from Seller for more than 23 years, now desires to purchase such land for agricultural uses consistent with a conservation easement and agricultural conservation covenant to be recorded at closing and enforceable by Seller in perpetuity;

WHEREAS, Seller's Board of Directors has found and declared that (1) the agricultural lands of the County of Sonoma contribute substantially to the local, state, national, and world food supply and are a vital part of the local and state economy; (2) the growing population and expanding economy of the County have had a profound impact on the ability of the public and private sectors to conserve land for the production of food and fiber, especially agricultural land around urban areas, (3) the challenge of maintaining agricultural land in agricultural use is compounded by local real estate market trends which see persistent high demand for working farms and ranches to be converted into rural residential homes and estates for non-farmers, (4) agricultural lands near urban areas that are maintained in productive agricultural use are a significant part of California's

agricultural heritage. These lands contribute to the economic betterment of local areas and the entire state and are an important source of food, fiber, and other agricultural products; (5) keeping agricultural land in productive use protects the local food supply and the larger agricultural economy for the benefit of future generations;

WHEREAS, Seller enters into this Agreement with Buyer with the intention of assuring the continued and perpetual use of the Real Property for agricultural production consistent with conservation of agricultural, scenic, natural resource, and open space values, in furtherance of the public purposes of the Seller, which will retain authority to enforce certain covenants and deed restrictions as further described in this Agreement to ensure these public purposes are carried out over time; and

WHEREAS, the parties enter into this Agreement to set forth the terms and conditions of the sale of the Real Property to Buyer and its perpetual conservation by Seller.

NOW, THEREFORE, IN CONSIDERATION of the respective agreements hereinafter set forth, Seller and Buyer agree as follows:

AGREEMENT

1. **Property Included in Sale.** Seller hereby agrees to sell and convey to Buyer, and Buyer agrees to purchase from Seller, subject to the terms and conditions set forth herein, the following:
 - a. that certain real property identified by the Sonoma County Assessor's Office as Assessor's Parcel Numbers 059-230-88 and 059-230-89 and more particularly described in **Exhibit A** ("Real Property");
 - b. except as provided in Subparagraphs 1(c) and 1(d), below, all rights, privileges, and easements appurtenant to the Real Property, including, without limitation, all minerals, oil, gas, and other hydrocarbon substances on and under the Real Property, as well as all development rights, air rights, water, water rights, and water stock relating to the Real Property, and any other easements, rights of way, or appurtenances used in connection with the beneficial use and enjoyment of the Real Property (all of which are collectively referred to as the "Appurtenances");
 - c. The Real Property and Appurtenances referred to in subsections (a) and (b) above are hereinafter collectively referred to as the "Property."
 - d. At the Closing, Seller will receive from Buyer a conservation easement encumbering the entirety of the Property for agricultural, natural, and scenic resources conservation purposes. The conservation easement shall be substantially the same form as **Exhibit B**, attached hereto and incorporated by this reference.

- e. At the Closing, Seller will receive from Buyer an agricultural conservation covenant, affirmatively requiring ongoing agricultural use of the Property. The agricultural conservation covenant shall be substantially the same form as **Exhibit C**, attached hereto and incorporated by this reference; and

2. Purchase Price for the Property.

- a. The purchase price of the Property subject to the restrictions in favor of the Seller referenced in Subparagraphs 1(c) and 1(d) is Four Hundred Fifty-Five Thousand Dollars (\$455,000) (the "Purchase Price"). The parties acknowledge that the Purchase Price reflects the fair market value of the Property after being merged into a single parcel and also as restricted by the Conservation Easement and Agricultural Conservation Covenant for which no separate consideration shall be paid to Buyer.
- b. The Purchase Price shall be paid as follows:
 - i. The Purchase Price of Four Hundred Fifty-Five Thousand Dollars (\$455,000.00) shall be deposited into Escrow with the Title Company no later than 10:00 a.m. on the business day before the Closing Date (as defined below) and shall be paid to Seller at the closing of the sale contemplated hereunder (the "Closing"). Buyer shall deposit the consideration with Fidelity National Title Company (Escrow #FSNX-7052201036-CT), 600 Bicentennial Way, Suite 300, Santa Rosa CA 95403
 - ii. The "Closing Date" shall **December 31, 2025** and shall be considered under the terms herein as the "Closing." Upon mutual agreement of the parties in writing, the Closing Date may be changed to an earlier date or may be extended for a reasonable period of time. The General Manager of the Sonoma County Agricultural Preservation and Open Space District may act on behalf of the Seller in agreeing to a change in the Closing Date pursuant to this paragraph, or pursuant to Paragraph 4.

3. Title to the Property.

- a. Conditions of Title. At the Closing, Seller shall convey the Property to Buyer by a good and sufficient Grant Deed, substantially in the form attached hereto as **Exhibit D**, subject to no exceptions other than (i) any exceptions disclosed by a preliminary title report; (ii) the Conservation Easement and Agricultural Conservation Covenant attached hereto as **Exhibits B and C**; and (iii) any other exceptions to title, which would be disclosed by an inspection and/or survey of the Property. The foregoing exceptions shall be referred to collectively as the "Conditions of Title."

- b. Evidence of Title. Delivery of title in accordance with the foregoing shall be evidenced by the willingness of the Title Company to issue, at Closing, its standard Owner's California Land Title Association Policy of Title Insurance in the amount of the Purchase Price showing title to the Property vested in Buyer, subject to the Conditions of Title (the "Title Policy").
- 4. Seller's Conditions Precedent. Seller's obligation to sell the Property is contingent on occurrence of all of the following, each of which is for the benefit of Seller:
 - a. The parcels comprising the Real Property shall have been merged into a single parcel through the Sonoma County voluntary administrative merger process, so that at the closing, the Real Property will constitute a single legal parcel;
 - b. Seller's Board of Directors shall have approved the transaction contemplated by this Agreement, including the final form and substance of the Deed of Conservation Easement, the Agricultural Conservation Covenant, and the Grant Deed;
 - c. The 35-day notice period pursuant to CEQA has elapsed without any objection (Cal. Pub. Resources Code §§ 21000-21178); and
 - d. Seller has received no objection to the sale from the California Department of Housing and Community Development pursuant to the Surplus Lands Act (Gov. Code, §§ 54220-54234).

Seller agrees to use good faith, reasonable efforts to satisfy each of the conditions in Paragraph 4. If any of these conditions is not satisfied, then Seller may elect to do any of the following in its sole discretion (a) terminate this Agreement; (b) defer the Close of Escrow until the condition has been satisfied; or (c) waive the condition. In the event Seller elects to terminate this Agreement under this Section 6, the Seller shall pay the cost of any title and escrow charges, and neither party shall have any further rights or obligations under this Agreement.

5. Buyer's Conditions Precedent.

- a. Buyer's obligation to purchase the Property is contingent upon its ability to obtain financing, as follows:
 - i. Buyer shall have until 45 business days after the Effective Date to secure a binding commitment for financing ("Financing Contingency Deadline"). Buyer shall use good faith efforts to obtain this binding commitment for financing by the Financing Contingency Deadline. If Buyer is unable to obtain a binding commitment for financing by the Financing Contingency Deadline, Buyer shall have the right to terminate this Agreement by notifying Seller in writing by the Financing Contingency Deadline. If Buyer timely delivers this termination notice to Seller, this Agreement shall terminate and neither Seller nor Buyer thereafter shall have any further rights or obligations under this Agreement

unless expressly provided otherwise in this Contract. If Buyer fails to timely provide termination notice to Seller, Buyer will be deemed to have obtained a binding commitment and have waived its right to terminate this Agreement pursuant to this Section.

6. Buyer's Examination & Release of Seller.

- a. Buyer's Independent Investigation. Buyer acknowledges that it has been given a full opportunity to inspect and investigate each and every aspect of the Property, either independently or through agents of Buyer's choosing, including, without limitation:
 - i. All matters relating to title, together with all governmental and other legal requirements such as taxes, assessments, zoning, use permit requirements and building codes.
 - ii. The physical condition of the Property, including, without limitation, the presence or absence of Hazardous Materials (as defined below). For the purposes hereof, "Hazardous Materials" shall mean any substance, chemical, waste or other material which is listed, defined or otherwise identified as "hazardous" or "toxic" under any federal, state, local or administrative agency ordinance or law or any material that because of its quantity, concentration, or physical or chemical characteristics, poses a significant, present or potential hazard to human health or safety or to the environment if released into the environment, or any regulation, order, rule or requirement adopted hereunder, as well as any formaldehyde, urea, polychlorinated biphenyls, petroleum, petroleum product or by-product, crude oil, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixture thereof, radon, asbestos, and "source," "special nuclear" and "by-product" material as defined in the Atomic Energy Act of 1985, 42 U.S.C. §§ 3011 *et seq.*
 - iii. Any easements and/or access rights affecting the Property.
 - iv. All other matters of material significance affecting the Property.
- b. "As Is Sale." BUYER SPECIFICALLY ACKNOWLEDGES THAT SELLER IS SELLING AND BUYER IS PURCHASING THE PROPERTY ON AN "AS IS WITH ALL FAULTS" BASIS AND THAT BUYER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM SELLER, ITS AGENTS, OR BROKERS AS TO ANY MATTERS CONCERNING THE PROPERTY, INCLUDING WITHOUT LIMITATION:
 - i. The quality, nature, adequacy and physical condition of the Property.

- ii. The quality, nature, adequacy, and physical condition of soils, geology and any groundwater.
 - iii. The existence, quality, nature, adequacy and physical condition utilities serving the Property.
 - iv. The development potential of the Property, and the Property's use, habitability, merchantability, or fitness, suitability, value or adequacy of the Property for any particular purpose.
 - v. The zoning or other legal status of the Property or any other public or private restrictions on use of the Property.
 - vi. The compliance of the Property or its operation with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions and restrictions of any governmental or quasi-governmental entity or of any other person or entity.
 - vii. The presence of Hazardous Materials on, under or about the Property or the adjoining or neighboring property.
 - viii. The quality of any labor and materials used in any improvements on the Property.
 - ix. The condition of title to the Property.
 - x. The leases, service contracts, or other agreements affecting the Property.
 - xi. The economics of the operation of the Property to be conveyed.
- c. Release. Without limiting the above, Buyer waives its right to recover from Seller and from Seller's officers, employees and agents, and forever releases and discharges Seller from any and all damages, claims, losses, liabilities, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise on account of or in any way be connected with the physical condition of the Property, or any portion thereof, or any law or regulation applicable thereto, including, without limitation, any federal, state, local or administrative agency ordinance, law, rule, regulation, order or requirement relating to environmental conditions or Hazardous Materials.

In connection with Paragraph 6(c) above, Buyer expressly waives the benefits of Section 1542 of the California Civil Code, which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

Buyer Initials

7. Closing and Escrow.

- a. It shall be the obligation of the Seller to open an Escrow for the purposes of this Agreement, and to pay all escrow fees required for the opening and closing of this Escrow.
- b. Buyer shall pay the premium for the policy of title insurance to be obtained by Buyer.
- c. Seller shall pay the premium for the policy of title insurance to be obtained by Seller and the cost of any transfer taxes applicable to the sale.
- d. Upon execution of this Agreement, the parties hereto shall deposit an executed counterpart of this Agreement with Title Company and this instrument shall serve as the instructions to Title Company as the escrow holder for consummation of the purchase and sale contemplated hereby. Seller and Buyer agree to execute such additional and supplementary escrow instructions as may be appropriate to enable the escrow holder to comply with the terms of this Agreement; provided, however, that in the event of any conflict between the provisions of this Agreement and any supplemental escrow instructions, the terms of this Agreement shall control.
- e. The Closing hereunder shall be held and delivery of all items to be made at the Closing under the terms of this Agreement shall be made at the offices of the Title Company on **December 31, 2025** (the "Closing Date"). Such date may not be extended without the prior written approval of both Seller and Buyer, except as otherwise expressly provided in this Agreement.
- f. At or before the Closing, Seller shall deposit into escrow the following:
 - i. A duly executed and acknowledged Grant Deed conveying rights to the Property to Buyer, subject to the Conditions of Title;
 - ii. A duly executed and acknowledged Deed of Conservation Easement, with associated certificate of acceptance; and
 - iii. A duly executed and acknowledged Agricultural Conservation Covenant, and associated certificate of acceptance.
- g. Before Closing, Buyer and Seller shall deposit into escrow the following items:
 - i. Funds necessary to close this transaction, in accordance with Paragraphs 2 and Subparagraphs 7(a)-(c), above.

- ii. Seller and Buyer shall each deposit such other instruments as are reasonably required by the escrow holder or otherwise required to close the escrow and consummate the purchase of the Property in accordance with the terms hereof.
- h. Real property taxes, property related fees, and expenses normal to the operation and maintenance of the Property, if any, shall be prorated as of 12:01 a.m. on the date the Grant Deed is recorded on the basis of a 365-day year. Seller and Buyer hereby agree that if any of the aforesaid prorations cannot be calculated accurately on the Closing Date, then the same shall be calculated within thirty (30) days after the Closing Date and either party owing the other party a sum of money based on such subsequent proration(s) shall promptly pay said sum to the other party, together with interest thereon at the rate of ten percent (10%) per annum from the Closing Date to the date of payment if payment is not made within ten (10) days after delivery of a bill therefor.
- i. Buyer shall assume the full amount of any assessments or bonds on the Property, if any.

8. Representations and Warranties of Buyer. Buyer hereby represents and warrants to Seller as follows:

- a. Buyer is a corporation duly organized and validly existing and in good standing under the laws of the State of California; and
- b. This Agreement and all documents executed by Buyer which are to be delivered to Seller at the Closing are or at the time of Closing:
 - i. will be duly authorized, executed, and delivered by Buyer;
 - ii. will be legal, valid, and binding obligations of Buyer; and
 - iii. will not violate any provisions of any agreement or judicial order to which Buyer is a party or to which Buyer is subject.

9. Representations and Warranties of Seller. Seller hereby represents and warrants to Buyer as follows:

- a. Seller is a body corporate and politic, organized and existing under and by virtue of the laws of the State of California; and
- b. This Agreement and all documents executed by Seller which are to be delivered to Buyer at the Closing are or at the time of Closing:
 - i. will be duly authorized, executed, and delivered by Seller;
 - ii. will be legal, valid, and binding obligations of Seller; and

- iii. will not violate any provisions of any agreement or judicial order to which Seller is a party or to which it is subject.

10. Indemnification. Each party hereby agrees to indemnify the other party and hold it harmless from and against any and all claims, demands, liabilities, costs, expenses, penalties, damages and losses, including, without limitation, reasonable attorneys' fees, resulting from any misrepresentations or breach of warranty or breach of covenant made by such party in this Agreement or in any document, certificate, or exhibit given or delivered to the other pursuant to or in connection with this Agreement. The indemnification provisions of this Paragraph 10 shall survive beyond the delivery and recordation of the Grand Deed, or, if title is not transferred pursuant to this Agreement, beyond any termination of this Agreement.

11. Miscellaneous.

- a. Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, and addressed as follows:

Buyer: Tierra Vegetables, Inc.
 Attn. Wayne James
 220 Pleasant Ave.
 Santa Rosa, Ca 95401

Seller: Sonoma County Agricultural Preservation and Open
 Space District
 747 Mendocino Ave.,
 Santa Rosa, CA 95401

or such other address as either party may from time to time specify in writing to the other.

- b. Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns.
- c. Amendments. Except as otherwise provided herein, this Agreement may be amended or modified only by a written instrument executed by Seller and Buyer.
- d. Applicable Law and Forum. This Agreement shall be governed by and construed in accordance with the laws of the State of California and any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the County of

Sonoma.

- e. Merger of Prior Agreements. This Agreement and the exhibits hereto constitute the entire agreement between the parties with respect to the purchase and sale of the Easements and supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof.
- f. Time of the Essence. Time is of the essence of this Agreement.
- g. Headings. The headings used herein are for the purposes of convenience only and should not be used in construing the provisions hereof.
- h. Partial Invalidity. If any term, covenant or condition of this Agreement or its application to any person or circumstances is held to be invalid or unenforceable, the remainder of this Agreement or the application of such term or provisions to other persons or circumstances will not be affected.
- i. No Waiver. No consent or waiver by either party to or of any breach or any representation, covenant or warranty will be construed as a consent to or waiver of any other breach of the same or any other representation, covenant, or warranty.
- j. Interpretation. The parties hereby acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. The parties hereby acknowledge that they have each had an opportunity to consult with legal and other professional counsel in the negotiation and preparation of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date signed.

Buyer: **Tierra Vegetables, Inc.**

By: _____
Wayne James, Chief Financial Officer Date

Seller: **Sonoma County Agricultural Preservation and Open Space District**

By: _____
Misti Arias, General Manager Date

APPROVED AS TO FORM:

By: _____
Lisa Pheatt, Deputy County Counsel

APPROVED AS TO SUBSTANCE:

By: _____
Misti Arias, General Manager

Exhibit A: Legal Description
Exhibit B: Conservation Easement
Exhibit C: Agricultural Conservation Covenant
Exhibit D: Grant Deed

EXHIBIT A TO PURCHASE AGREEMENT

Legal Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA IN COUNTY OF SONOMA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Being situated in the Northwest $\frac{1}{4}$ of Section 29, Township 8 North, Range 8 West, Mount Diablo Meridian:

Commencing at a found $\frac{1}{2}$ " iron pipe as shown on that certain Record of Survey Map, entitled, "Record of Survey in Section 29, etc.", recorded in Book 60 of Maps, Page 6, Sonoma County Records, said pipe lies on the East line of that certain 1.47 acre parcel, being the lands of Frank and Anna Johnson, and is North 300.0 feet from the Southeast corner thereof; thence from said point of commencement East 19.8 feet to a found $\frac{1}{2}$ " iron pipe on the South line of mark West Station Road; thence South 300.00 feet to set $\frac{1}{2}$ " iron pipe and tag, being the true point of beginning for the parcel to be herein described and also "the most Southwesterly corner of the lands conveyed to the mark West neighborhood Church, as said" conveyance is recorded in Book 1510 of Official Records, Page 365, Sonoma County Records; thence from said true point of beginning, South 515.46 feet to a found $\frac{1}{2}$ " iron pipe as referred to in that certain Grant Deed from John A. Esposti, et ux., and Michael J. Debonis, et ux., to the State of California and recorded in Book 1642 of Official Records, Page 323, Sonoma County Records; thence North $89^{\circ} 57' 30''$ East, 185.90 feet (State Deed 186.02) to a found $\frac{1}{2}$ " iron pipe, also referred to in said Deed; thence South 57.05 feet to a $\frac{1}{2}$ " iron pipe and tag set for the most Northwesterly corner of that certain 1.357 acre tract as described in Deed from Sonoma County Land Title Company to the State of California and recorded in Book 1722 of Official Records, Page 459, Sonoma County Records; thence along the Northeasterly line of said 1.357 acre Parcel, from a tangent that bears South $75^{\circ} 25' 17''$ East (all State Deed bearings shown hereafter rotated $39^{\circ} 57'$) along a curve to the right with a radius of 450.00 feet, through an angle of $29^{\circ} 36' 33''$ an arc length of 232.55 feet; thence South $45^{\circ} 48' 44''$ East, 198.08 feet; thence along a curve to the left with a radius of 350.00 feet, through an angle of $23^{\circ} 49' 38''$ an arc length of 145.55 feet; thence South $69^{\circ} 38' 22''$ East, 75.85 feet; thence South $0^{\circ} 22' 30''$ East, 12.00 feet to the Northerly line of Lone Redwood Road (60 feet wide); thence along said Northerly line of Lone Redwood Road (60 feet wide); thence along said Northerly line, North $89^{\circ} 37' 30''$ East, 797.36 feet to a point in the center of Fulton Road; thence along the center of Fulton Road North $0^{\circ} 00' 51''$ West, 1012.56 feet to a point (from which a set $\frac{1}{2}$ " iron pipe and tag bears North $89^{\circ} 57' 39''$ West, 24.06 feet); thence leaving said Road, North $89^{\circ} 57' 39''$ West, 1023.80 feet to a set $\frac{1}{2}$ " iron pipe and tag; thence North 20.00 feet to a set $\frac{1}{2}$ " iron pipe and tag; thence North $89^{\circ} 57' 39''$ West, 220.00 feet to a found $\frac{1}{2}$ " iron pipe and tag (L.S. 2756); thence North 175.00 feet to a found $\frac{1}{2}$ " iron pipe and tag (L.S. 2756); thence on a curve to the right with a radius of 25.00 feet for a distance of 39.27 feet to a found $\frac{1}{2}$ " iron pipe and tag (L.S. 1286) said found iron pipe being a point on the South line of Mark West Station Road, as described in Deed to the County of Sonoma and recorded in Book 1571 of Official Records, Page 589, Sonoma County Records; thence along the Southerly edge of said road, North $89^{\circ} 57' 39''$ West, 100.00 feet to a set $\frac{1}{2}$ " iron pipe and tag; thence on a curve to the right with a radius of 25.00 feet, from a tangent which bears South $89^{\circ} 57' 39''$ East, for a distance of 39.27 feet to a set $\frac{1}{2}$ " iron pipe and tag; thence South 275.00 feet to a set $\frac{1}{2}$ " iron pipe and tag; thence North $89^{\circ} 57' 39''$ West, 225.00 feet to the point of beginning, basis of bearings; centerline Lone-Redwood Road by found monuments course North $89^{\circ} 37' 30''$ East, all tags mentioned herein and not otherwise identified bear the inscription "R.S. Hogan, L.S. 2798".

Excepting therefrom, the following described property:

Being a portion of the lands of utilities and Industries Corporation, as recorded in Book 1891 of Official Records, Page 597, and being more particularly described as follows: Beginning at a ½" iron pipe monument found on the dividing line of the said lands of utilities and Industries Corporation and the lands of Kenneth G. and Joan Lucille Lawson, as recorded in Book 2512 of Official Records, Page 608, from which Engineer's Station 30+07.31 P.O.T. as shown on a Map entitled "Fulton Road", dated January 1977, and on File in the Office of the Sonoma County Department of public works, bears South 89° 19' 39" East, 22.49 feet; thence from said point of beginning and along said dividing line, North 89° 19' 39" West, 12.51 feet to a point from which a ½" iron pipe monument found in the North line of the said lands of utilities and Industries Corporation, bears North 89° 19' 39" West, 987.46 feet; thence leaving said dividing line, South 0° 36' 56" West, 7.03 feet to a point from which Engineer's Station 30+00.28 E.C. bears South 89° 23' 04" East, 35.00 feet; thence curving to the right with a radius of 4965 feet, through an angle of 2° 47' 34" for a distance of 242.01 feet to a point from which Engineer's Station 27+56.55 P.R.C. bears South 86° 35' 30" West 35.00 feet; thence curving to the left from a tangent which bears South 3° 24' 30" West, with a radius of 5035 feet through an angle of 2° 33' 46" for a distance of 225.21 feet to a point from which Engineer's Station 25+32.91 B.C. bears South 39° 09' 16" East, 35.00 feet; thence South 0° 50' 44" West, 513 feet, more or less; thence curving to the right with a radius of 25 feet to a point on the South line of the said lands of utilities and Industries Corporation; thence along said South line in an Easterly direction to the Southeast corner of the said lands of utilities and Industries Corporation; thence along the East line of the said lands of utilities and Industries Corporation in a Northerly direction to the Northeast corner of the said lands of utilities and Industries Corporation; thence along the said North line of the said lands of utilities and Industries Corporation, North 89° 19' 39" West, to the point of beginning. Basis of bearing: Bearing between monuments S-111 and S-112, as shown on a Map entitled, "California State Highway Monument Map", Page S-141.8 and on File in the Sonoma County Department of Public Works.

Further Excepting Therefrom, All the lands as shown on that certain Map entitled, Larkfield Meadows Subdivision, filed for record August 8, 1985, in Book 375 of Maps, at Pages 6 through 9, inclusive, Sonoma County Records.

Further Excepting Therefrom, The lands conveyed to the County of Sonoma in the Deed recorded August 20, 1985, under Recorder's Serial #85-54642, Sonoma County Records.

Further Excepting Therefrom, That portion conveyed to the County of Sonoma in the Deed recorded September 12, 2014, Instrument No. 2014-64155, Sonoma County Records.

Further Excepting Therefrom, That portion conveyed to the State of California in the Deed recorded September 17, 2014, Instrument No. 2014-65284, of Official Records.

[END OF DESCRIPTION]

Exhibit B
Conservation Easement

RECORDING REQUESTED BY AND RETURN TO:

Clerk of the Board of Directors
Sonoma County Agricultural
Preservation and Open Space District
575 Administration Drive, Room 102A
Santa Rosa, CA 95403

Recorded by government agency - Exempt from recording fees per Gov. Code §§ 27383, 27388.1, 27388.2
Interest acquired by government agency - Exempt from documentary transfer tax per Rev. & Tax. Code § 11922

DEED AND AGREEMENT
BY AND BETWEEN
TIERRA VEGETABLES, INC.
AND
THE SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
CONVEYING A CONSERVATION EASEMENT
AND
ASSIGNING DEVELOPMENT RIGHTS

TIERRA VEGETABLES, INC., a California S Corporation (“GRANTOR”) and the SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT, a public agency formed pursuant to the provisions of Public Resources Code sections 5500 *et seq.* (“DISTRICT”), agree as follows:

RECITALS

A. GRANTOR is the owner in fee simple of that certain real property located in Sonoma County and more particularly described in Exhibit A, attached hereto and incorporated herein by this reference (“the Property”).

B. In 1990, the voters of Sonoma County approved the creation of DISTRICT and the imposition of a transactions and use tax. The purpose for the creation of DISTRICT and the imposition of the tax was to provide for the preservation of agriculture and open space through the acquisition of interests in appropriate properties from willing sellers consistent with a voter-approved Expenditure Plan. DISTRICT was created and the tax imposed in order to further the state policy for the preservation of agricultural and open space lands, to meet the mandatory requirements imposed on the County and each of its cities by Government Code sections 65560 *et seq.* and to advance the implementation of the open space elements of their respective general plans. In 2006, the voters of Sonoma County approved an extension of the transaction and use tax and an update of the Expenditure Plan.

C. DISTRICT is organized pursuant to Public Resources Code sections 5500 *et seq.* and is duly authorized to acquire and hold conservation easement interests pursuant to Civil Code section 815.3 and Public Resources Code section 5540.

D. On [Date], DISTRICT's Board of Directors, pursuant to Government Code section 65402 and Sonoma County Ordinance No. 5180, determined, by its Resolution No. [Number], that the acquisition of a conservation easement in the Property was consistent with the Sonoma County General Plan (specifically the Plan's Agricultural Resources, Land Use, and Open Space and Resource Conservation Elements) because it maintains important open space areas between and around the county's cities in a largely open or natural character with low intensities of development (Goal LU-5); will preserve the visual identities of communities by maintaining open space areas between cities and communities (Goal OSRC-1); preserves the unique rural and natural character of Sonoma County for residents, businesses, visitors and future generations (Goal OSRC-6); Use voluntary purchase or voluntary transfer of development rights programs to limit intrusion of residential development into agricultural lands (Policy AR-2d); maintain the maximum amount of land in parcel sizes that a farmer would be willing to lease or buy for agricultural purposes (Goal AR-3). By that same resolution, DISTRICT's Board of Directors determined that its funding of the Project is consistent with the voter-approved Expenditure Plan.

E. This Easement, as further defined below, will further the goals, objectives, and policies of the DISTRICT's Vital Lands Initiative by protecting the following: open lands that surround and differentiate the County's urban areas and contribute to the unique scenic character of the County (Vital Lands Goals, Community identity); lands that support diverse, sustainable, and productive agriculture. (Vital Lands Goals: Agricultural Lands); open space and publicly accessible lands in and near cities and communities and connect people with protected lands (Vital Lands Goals: Healthy Communities); areas most threatened with development or conversion (Overarching Goals); and areas that achieve the open space goals outlined in the Sonoma County General Plan (Overarching Goals).

F. DISTRICT has the authority to acquire conservation easements by virtue of Public Resources Code section 5540 and possesses the ability and intent to enforce the terms of this Easement.

THEREFORE, in consideration of the foregoing recitations and of the mutual covenants, terms, conditions, and restrictions herein set forth and other valuable consideration receipt of which is hereby acknowledged, GRANTOR and DISTRICT agree as follows:

EASEMENT

PART ONE: GRANT OF EASEMENT

1. Grant and Acceptance of Conservation Easement and Assignment of Development Rights.

Pursuant to the common and statutory law of the State of California including the provisions of Civil Code sections 815 through 816, inclusive, GRANTOR hereby grants to DISTRICT and DISTRICT accepts a conservation easement over the Property in perpetuity under the terms and conditions set forth herein ("the Easement"). GRANTOR hereby irrevocably assigns to DISTRICT all development rights associated with the Property, except as specifically provided by this Easement.

2. Conservation Values. The Property consists of an urban farm located within the Windsor/Santa Rosa/Larkfield Community Separator in an area characterized by urban and suburban development and vineyards. Critical resources on the Property (collectively "the Conservation Values"), include the scenic values, the agricultural values, and the natural resource values as described below.

2.1. Scenic Values. The Property consists of open land in a predominantly agricultural and natural state situated on the edge of a highly developed urban/suburban area. It is within a greenbelt and community separator designated by the County of Sonoma to prioritize protection of areas important for open space, scenic, wildlife movement, and other public benefits. The agricultural fields of the Property are highly visible from public roads and spaces, including Airport Boulevard and Highway 101. The open space character of this land provides visual respite for the public as well as a chance for urban/suburban residents to experience a working farm.

2.2. Agricultural Values. The Property has been used for agriculture for many decades, including as grazing land, an orchard, for hay production, and most recently for row-crop production. There is sufficient water for an agricultural operation provided by a groundwater well. Approximately 78 percent of the Property is classified by the California Department of Conservation's Farmland Mapping and Monitoring Program as prime soils if irrigated, with the remaining soils designated as Farmland of Statewide Importance. The Property also hosts a remnant patch of native Dogbane (*Apocynum cannabinum*) that is a culturally important indigenous fiber crop that has been cultivated in this area for generations.

2.3. Natural Resource Values. The Property hosts a variety of plant and animal species that are critical to the ecological health of the Property, primarily in the drainage ditch that transects the Property and in the wooded area near Mark West Station Road.

3. Conservation Purpose. The purpose of this Easement (“Conservation Purpose”) is to preserve and protect forever the Conservation Values of the Property, as described in Section 2, and to prohibit and prevent any uses and activities of the Property that will materially impair or interfere with those values. This Easement explicitly allows certain uses, activities, structures, or improvements that may result in some impact to the Conservation Values. This Easement does not prohibit those uses, activities, structures, or improvements. In the event that a use, activity, structure, or improvement causes a substantial conflict between the preservation and protection of two or more Conservation Values, the parties shall attempt to reconcile such conflict and balance the preservation and protection of each affected Conservation Value, with particular weight given to preservation and protection of scenic resources, then preservation and protection of agricultural resources, and finally natural resources.

PART TWO: RIGHTS OF DISTRICT

4. Affirmative Rights of DISTRICT. DISTRICT shall have the following affirmative rights under this Easement:

4.1. Protecting Conservation Values. DISTRICT shall have the right to preserve, protect and document in perpetuity the Conservation Values of the Property.

4.2. Property Inspections. DISTRICT shall have the right to enter upon the Property and to inspect, observe, and study the Property for the purposes of (i) identifying the current activities and uses thereon and the condition thereof, (ii) monitoring the activities and uses thereon to determine whether they are consistent with the terms, conditions and Conservation Purpose of this Easement, (iii) enforcing the terms, conditions and Conservation Purpose of this Easement, and (iv) exercising its other rights under this Easement. Such entry shall be permitted at least once a year at reasonable times, upon one week’s prior notice to GRANTOR, and shall be made in a manner that will not unreasonably interfere with GRANTOR’s use and quiet enjoyment of the Property pursuant to the terms and conditions of this Easement. Each entry shall be for only so long a duration as is reasonably necessary to achieve the purposes of this Section 4.2, but shall not necessarily be limited to a single physical entry during a single twenty-four hour period. Notwithstanding the foregoing, should DISTRICT’s General Manager have a reasonable belief that GRANTOR is in breach of this Easement, DISTRICT shall have the right at any time, upon twenty-four hours’ prior notice to GRANTOR, to enter upon the Property for the purpose of determining whether such breach has occurred. The rights of entry provided by this Section 4.2 shall extend to the officers, agents, consultants, and volunteers of DISTRICT.

4.3. Enforcement. DISTRICT shall have the right to enforce the rights herein granted and to prevent or stop, by any legal means, any activity or use on the Property that is inconsistent with the

terms, conditions, or Conservation Purpose of this Easement and to require restoration of such areas or features as may be damaged by such activities or uses.

4.4. Approval of Certain Uses. DISTRICT shall have the right to review and approve proposed uses and activities on the Property as more specifically set forth in Section 5 and Section 6.

4.5. DISTRICT Signage. DISTRICT shall have the right to erect and maintain a sign or other appropriate marker in a location on the Property acceptable to GRANTOR, visible from a public road, bearing information indicating that the Property is protected by DISTRICT and acknowledging the sources of DISTRICT funding for the acquisition of this Easement. The wording of the information shall be determined by DISTRICT with consent of GRANTOR. No such sign or marker shall exceed thirty-two (32) square feet in size nor be artificially illuminated. DISTRICT shall be responsible for the cost of erecting and maintaining such sign or marker.

PART THREE: RESTRICTIONS ON DEVELOPMENT, USE, AND ACTIVITIES

5. GRANTOR's Restricted Rights. GRANTOR shall confine the use of the Property to activities and uses that are consistent with the Conservation Purpose of this Easement. Any activity or use that is inconsistent with the Conservation Purpose of this Easement is prohibited. GRANTOR and DISTRICT acknowledge that the following list does not constitute an exhaustive recital of consistent and inconsistent activities and uses, but rather (i) establishes specific duties with respect to the preservation of the Property's Conservation Values; (ii) establishes allowed activities and uses; (iii) establishes restricted or prohibited activities and uses; and (iv) provides guidance for determining the consistency of similar activities and uses with this Easement, in accordance with the procedures set forth in Section 6.

5.1. General Requirements for All Uses.

5.1.1. Compliance with Governmental Regulations. All activities and uses on the Property shall be subject to and undertaken in accordance with all applicable federal, state, and local statutes, ordinances, rules, and regulations.

5.1.2. Compliance with Terms, Conditions and Conservation Purpose of this Easement. All activities and uses on the Property shall be undertaken in a manner consistent with the terms, conditions, and Conservation Purpose of this Easement.

5.1.3. Protection of Conservation Values. All activities and uses on the Property shall be undertaken in a manner that protects and preserves the Conservation Values.

5.1.4. Protection of Soil and Water. No activity or use on the Property shall be undertaken in a manner that results in significant soil degradation or pollution, or significant degradation or pollution of any surface or subsurface waters.

5.1.5. Duty to Prevent Waste, Nuisance, and Trespass. Without limiting the generality of the foregoing, GRANTOR shall maintain the Property in a condition consistent with the Conservation Purpose of this Easement, which obligation shall include the undertaking of reasonable and necessary steps to prevent harm to the Conservation Values of the Property due to foreseeable acts or omissions of third parties.

5.1.6. Notice and Approval Procedures. Whenever this Section 5 requires prior notice to or approval by DISTRICT, such notice shall be given or approval shall be obtained in accordance with Section 6 of this Easement.

5.1.7. Easement Designation Areas. This Easement identifies and designates several types of geographically specific areas of the Property within which particular uses may be permitted, or within which particular restrictions on use may apply (the “Easement Designation Areas”). The general locations of these Easement Designation Areas are depicted on the Project Structure Map attached hereto as Exhibit B and incorporated herein, as well as on the Baseline Documentation Report Site Map (the “Baseline Site Map”), as identified in Section 9. The specific locations and descriptions of the Easement Designation Areas are described more particularly below and in Exhibit C (Description of Easement Designation Areas), attached hereto incorporated herein. In the event that a conflict is found between the written descriptions of the Easement Designation Areas in this Easement, the Project Structure Map, and the Baseline Site Map, the written description shall prevail. The Easement Designation Areas are further described as follows:

(a) Building Envelopes. There will be no more than two (2) “Building Envelopes” designated on the Property to concentrate structures and more intensive uses on the Property. The Building Envelopes will be as follows:

i. *Building Envelope 1.* “Building Envelope 1” contains approximately 0.77 total acres encompassing, as of the Effective Date, a barn and attached farm stand, driveway, parking area, and other agricultural structures near the south of the Property.

ii. *Building Envelope 2.* GRANTOR may establish a second building envelope on the Property consisting of an area of land no more than one-half (0.5) acre in size (“Building Envelope 2”), subject to prior approval of DISTRICT, which approval shall only be granted if the proposed location is outside the Building

Exclusion Area, minimizes scenic impacts, minimizes impacts to agricultural values, and promotes clustering of structures and improvements.

(b) Building Exclusion Area. The “Building Exclusion Area” is an area that is highly visible from Airport Boulevard and other public places consisting of approximately one and sixty-one hundredths (1.61) acres located in the southeast area of the property near Airport Boulevard.

5.1.8. Subdivision and Parcels. At the time of the recordation of this Easement, the Property consists of one legal parcel. Notwithstanding the potential existence of multiple underlying parcels, the Property, in its entirety, shall remain under common ownership, and GRANTOR shall not place or convey any portion of the Property into ownership separate from the whole of the Property except as expressly provided in Section 5.1.9 (Exceptions). GRANTOR shall not further divide the Property, or any of its constituent parcels whether by subdivision, conveyance, lot line adjustment, partition or any other means, nor shall GRANTOR gain or seek to gain recognition, by certificate of compliance under the Subdivision Map Act or otherwise, of additional parcels which may have previously been created on the Property by prior patent of deed conveyances, subdivisions, or surveys.

5.1.9. Exceptions. This prohibition against division of the Property shall be inapplicable to:

(a) Conveyance to Government or Non-Profit Entity. Subject to prior written approval by DISTRICT, GRANTOR may voluntarily convey a portion of the Property to a government or non-profit entity exclusively for conservation or public access purposes, provided that such conveyance does not materially impair the Conservation Purpose of this Easement.

(b) Agricultural Leases. GRANTOR may lease a portion(s) of the Property for the permitted agricultural uses described in Section 5.2.2.

5.1.10. Historic Parcels. GRANTOR acknowledges that one or more additional historic parcels may exist on the Property, previously created by patent or deed conveyances, subdivisions, lot line adjustments, surveys, recorded or unrecorded maps, or other documents. GRANTOR waives all rights to recognition of such historic parcels, whether through certificate of compliance under the Subdivision Map Act or otherwise.

5.2. Land Uses. GRANTOR shall restrict use of the Property to such uses as defined in this Section 5.2. All other uses are prohibited except as provided in Section 6.2.

5.2.1. Residential Use. GRANTOR may reside on the Property.

5.2.2. Agricultural Use. GRANTOR may engage in agricultural uses of the Property as described below in accordance with sound, generally accepted agricultural and soil conservation practices, provided however that no agricultural use shall be undertaken in a manner that significantly impairs the long-term agricultural productive capacity of the Property. In connection with permitted agricultural uses, any application of government-approved agrichemicals, including but not limited to, herbicides, fertilizers and biocides, must be applied only in those amounts and with that frequency of application necessary to accomplish reasonable agricultural purposes and consistent with government regulations and guidelines.

(a) Livestock for the Production of Food and Fiber. GRANTOR may breed, raise, pasture, and graze livestock of every nature and description for the production of food and fiber.

(b) Bees, Fish, Poultry and Fowl. GRANTOR may breed and raise bees, fish, poultry, and other fowl.

(c) Crops. GRANTOR may plant, raise, harvest, and produce agricultural, aquacultural, horticultural, and forestry crops and products of every nature and description.

(d) Sale of Harvested Crops and Products. GRANTOR may store and sell crops and products harvested and primarily produced on the Property, including but not limited to through direct retail sale to the public, you-pick harvest, and farm-to-table meals.

(e) Processing of Crops and Products. Within a designated Building Envelope, GRANTOR may process agricultural crops and products principally harvested and produced on the Property.

(f) Composting. GRANTOR may store, process, and sell, including direct retail sale to the public, compost materials generated on the Property in association with the permitted agricultural uses.

5.2.3. Educational Use. GRANTOR may use the Property for low-intensity outdoor educational uses including nature study, agricultural education, school field trips, and other such uses similar in nature and intensity. All improvements associated with the low-intensity educational uses shall be placed or constructed consistent with Section 5.3.6 of this Easement.

5.2.4. Special Events. With prior written notice to DISTRICT, GRANTOR may use the Property for special events, such as weddings, low-intensity recreational events, art shows, and

cultural activities. All special events shall be limited to one-hundred (100) attendees, up to 6 (six) times per year, and shall not result in any permanent alteration of the Property or have a detrimental impact on the agricultural utility or Conservation Values of the Property. GRANTOR shall document the date, event size, type, and location of each such event. Such documentation shall be made available to DISTRICT upon request.

5.2.5. Natural Resource Protection, Preservation, Restoration, and Enhancement. GRANTOR may protect, preserve, restore and enhance the natural resources of the Property in accordance with sound, generally accepted conservation practices and the provisions of Section 5.4.

(a) Mitigation. With prior written approval of DISTRICT, the Property may be used for mitigation of on- or off-site projects if DISTRICT determines, in its sole discretion, that the following criteria are met: (i) the proposed mitigation enhances the Conservation Values; (ii) the proposed mitigation is consistent with DISTRICT's enabling legislation; (iii) the proposed mitigation is aligned with DISTRICT's objectives and goals; and (iv) the proposed mitigation does not present a risk to DISTRICT's long-term fiscal stability. Furthermore, any additional protections required by regulatory agencies in association with a mitigation project must be consistent with this Easement; and the sale of mitigation credits are considered a commercial use and subject to the provisions of Section 5.2.6.

5.2.6. Commercial Use. GRANTOR may use the Property for the following commercial uses:

- (a) Agricultural use as described in Section 5.2.2;
- (b) Home occupation(s), such as in-home small businesses and cottage food production, within permitted residential buildings;
- (c) Leases or rentals for residential, agricultural, and educational uses as defined in Sections 5.2.1 through 5.2.3;
- (d) With prior written notice to DISTRICT, GRANTOR may charge a nominal fee to cover costs directly associated with educational programs and other similar public program uses of the Property. Upon DISTRICT's request, GRANTOR shall provide, documentation of such costs.
- (e) Special events permitted under Section 5.2.4 may be conducted for commercial and/or fundraising purposes; and

(f) With prior written approval from DISTRICT, other minor ancillary commercial use found to be consistent with Conservation Purpose of this Easement.

5.3. Structures and Improvements. No structure or improvement shall be maintained, repaired, replaced, constructed, or placed on the Property except as provided in this Section 5.3. All structures and improvements allowed by Sections 5.3.2 through 5.3.6 whether existing at the time of this Easement or placed subsequent to this Easement, shall be located within a Building Envelope as defined and designated in Section 5.1.7, except as otherwise indicated below. At no time shall the structures and improvements permitted by this Section 5.3 cover, cumulatively, more than ten (10) percent of the Property. Furthermore, no structure or improvement shall exceed 24 feet in height except as otherwise provided herein.

5.3.1. Maintenance, Repair, or Replacement of Structures and Improvements. GRANTOR may maintain, repair, or replace structures and improvements existing at the date hereof or constructed subsequently pursuant to the provisions of this Easement, as follows:

(a) If the maintenance, repair, or replacement does not increase the height of the structure or improvement, increase the land surface area it occupies, or change its location or function, no notice to or approval by DISTRICT shall be required.

(b) Any maintenance, repair, or replacement that increases the height of the structure or improvement, increases the land surface area it occupies, or changes its location or function shall be treated as new construction and shall be subject to the provisions of Sections 5.3.2 through 5.3.11.

5.3.2. Residential Structures. With prior written notice to DISTRICT, GRANTOR may place or construct residences on the Property only as follows:

(a) One (1) residence of no more than two thousand (2,000) square feet in size, exclusive of garage.

(b) One (1) agricultural worker residence (farm worker housing, seasonal worker housing, or similar residential structure for agricultural workers) as reasonably necessary for the agricultural operation, provided that no such agricultural residence shall exceed one thousand eight hundred (1,800) square feet in size, exclusive of garage.

(c) Additional short-term, mobile, and temporary housing as is reasonably necessary for agricultural workers employed seasonally on the Property.

(d) All garages, whether attached or detached, shall be subject to Section 5.3.3.

5.3.3. Structures and Improvements Accessory to Residential Use. With prior written notice to DISTRICT, GRANTOR may place or construct accessory structures and improvements reasonably related to permitted residential use on the Property including, but not limited to garage, shed, swimming pool, home garden, and chicken coops. All such structures and improvements must be placed or constructed within the same Building Envelope as the associated residence. The total cumulative square footage of the structures and improvements accessory to residential use shall not exceed two thousand (2,000) square feet on the Property. No single structure shall exceed one thousand (1,000) square feet in size.

5.3.4. Non-residential Agricultural Structures and Improvements. With prior written notice to DISTRICT, GRANTOR may place or construct structures and improvements reasonably necessary for the permitted agricultural use of the Property, including but not limited to barns, corrals, greenhouses, well houses, paved pads, equipment storage facilities, and non-permanent crop covers, such as hoop houses, cold frames, or grow tunnels. Outside of the designated Building Envelope(s), GRANTOR may only place or construct such structures and improvements with prior approval from DISTRICT. Non-residential agricultural structures may be up to forty (40) feet in height.

5.3.5. Structures and Improvements Accessory to Natural Resource Protection Use. With prior written notice to DISTRICT, GRANTOR may place or construct accessory structures and improvements reasonably necessary for natural resource protection on the Property, including, but not limited to sheds and greenhouses. Outside of the designated Building Envelope(s), GRANTOR may only place or construct temporary accessory structures and improvements as necessary during, and in connection with, natural resource restoration and enhancement activities, with prior approval from DISTRICT.

5.3.6. Improvements for Educational Uses. With prior written approval from DISTRICT, GRANTOR may construct or place minor improvements associated with permitted low-intensity outdoor educational uses such as a single-track unpaved trail, outdoor classroom, and viewing areas.

5.3.7. Roads. Subject to prior written approval of DISTRICT, GRANTOR may construct new roads and reconstruct or expand existing roads provided that such roads (i) are directly required for uses and activities allowed herein and (ii) are the minimum necessary for such uses and activities. Roads shall be constructed and maintained so as to minimize erosion and sedimentation and ensure proper drainage, utilizing Best Management Practices for roads as recommended by California Department of Fish and Wildlife or other similar or successor entity. Roads constructed subsequent to the Effective Date may not be paved with asphalt, concrete or other impervious surface unless such paving is required by any federal, state, or local law, code,

ordinance, or regulation. Roads that are abandoned, permanently closed, and/or decommissioned shall be stabilized and ensured of proper drainage and put into agricultural production or revegetated with native species.

5.3.8. Fences and Gates. Subject to prior written approval of DISTRICT, GRANTOR may construct and erect new fencing and gates only as necessary for permitted uses of the Property or as necessary in connection with GRANTOR'S duties to prevent foreseeable trespass pursuant to Section 5.1.5 (*Duty to Prevent Waste, Nuisance, and Trespass*). Notwithstanding the foregoing, no approval is required for placement of temporary fencing. All fencing and gates must (i) preserve the scenic values of the Property; (ii) be the minimum necessary in design and extent; (iii) not impede wildlife movement except within the Building Envelopes and in cases where necessary to protect the allowed agricultural and natural resource management, restoration and enhancement uses described in this Easement; and (iv) comply with DISTRICT's then-current guidelines for fences on conservation lands. Notwithstanding the provisions of Section 5.3.1 (*Maintenance, Repair, or Replacement of Structures and Improvements*), whether existing at the date hereof or constructed subsequently in accordance with the provisions of this Easement, GRANTOR may maintain and/or replace such fencing and gates only pursuant to the provisions of this Section 5.3.8. In the event any fence or gate, or portion thereof, becomes obsolete or unnecessary for the uses described in this Section 5.3.8, GRANTOR shall remove such fencing or gate from the Property.

5.3.9. Utilities and Energy Resources. Subject to prior written approval of DISTRICT, GRANTOR may expand existing or develop or construct (i) new utilities, including but not limited to electric power, septic or sewer, communication lines, and water storage and delivery systems provided that such utilities are directly required for permitted uses on the Property and are reasonably scaled to serve only those uses; and (ii) other similar utilities for new or existing offsite public utility purposes, provided that: (a) such installation has no lasting material impact on the Conservation Values as set forth in this Easement; (b) any such installation is installed and maintained in the least intrusive manner feasible; and (c) any damage done to the Property or Conservation Values caused by the installation or maintenance of such conduits is repaired promptly. Electric power and communication utilities may serve off-site use only if associated improvements are located on a permitted structure within a designated Building Envelope and do not cause such structure to exceed size and height limitations.

5.3.10. Public Safety Systems. With prior written approval from DISTRICT, GRANTOR may install communication and geophysical data collection, monitoring, and transmission systems and associated infrastructure directly supportive of public safety operations, including, but not limited to, wildfire detection sensors and cameras, weather stations, stream gauges, seismic sensors, and emergency communication systems ("Public Safety Systems"), provided such

infrastructure is the minimum necessary for the public safety purpose and is designed, sited, constructed, and maintained so as to minimize impacts to the Conservation Values of the Property. Public Safety Systems do not include telecommunications facilities designed for use by the general public, such as commercial cell phone towers or antennae, which are subject to the provisions of Section 5.3.9. Vegetation management related to the maintenance and operation of such systems shall be subject to the provisions of Section 5.4.4(b) of this Easement.

5.3.11. Signs. GRANTOR may construct or place signs as set forth in this Section 5.3.11. No sign shall be artificially illuminated.

(a) Without prior written notice to or approval of DISTRICT, GRANTOR may construct or place two (2) signs not to exceed 32 square feet in size to identify the Property from public roadways and/or to acknowledge participation of funding agencies for permitted uses on the Property.

(b) Without prior written notice to or approval of DISTRICT, GRANTOR may construct or place signs no more than six (6) square feet in size to (i) mark the boundary of the Property; and (ii) provide directional, interpretive, and educational information, provided that the size and number of such signs shall be limited to that which is reasonably necessary to accomplish the permitted uses herein, and further provided that such signs are sited and constructed in a manner that does not create a significant visual impact.

(c) Without prior written notice to or approval of DISTRICT, GRANTOR may construct or place signs advocating candidates or issues that will be presented to voters in a public election are allowed, provided that such signs do not exceed then existing state and local regulations for political signs, and that such signs are removed within ten (10) days after the date of election.

(d) Subject to prior written approval of DISTRICT, GRANTOR may construct or place additional signs necessary or appropriate for allowed uses, provided that any such additional signs are sited and constructed in a manner that does not create a significant visual impact.

5.4. Land and Resource Management.

5.4.1. Surface Alteration. Alteration of the contour of the Property in any manner whatsoever is prohibited, including, but not limited to, excavation, removal or importation of soil, sand, gravel, rock, peat, or sod, except as reasonably necessary in connection with the uses, structures, and/or improvements allowed under Section 5 of this Easement. In connection with

allowed uses, structures and/or improvements, movement of over 50 cubic yards of material in any calendar year is subject to prior DISTRICT approval.

5.4.2. Water Resources. Draining, filling, dredging, diking, damming or other alteration, development, or manipulation of watercourses, subsurface water, springs, ponds, and wetlands is prohibited except as reasonably necessary in connection with (i) the maintenance, replacement, development and expansion of water storage and delivery systems allowed under Section 5.3.9; (ii) reconstruction, expansion, and new construction of roads or trails allowed under Sections 5.4.7 and 5.4.6, respectively; and (iii) the restoration and enhancement of natural resources allowed under Section 5.4.5.

5.4.3. Mineral Exploration. Exploration for, or development and extraction of, geothermal resources, minerals and hydrocarbons by any surface or sub-surface mining or any other method is prohibited.

5.4.4. Vegetation and Fuel Management. GRANTOR may undertake vegetation and fuel management activities to reduce wildfire risk as provided in this Section. All vegetation and fuel management activities shall be designed and implemented to minimize harm to native wildlife, plant communities, and non-target plants. If vegetation and fuel management activities are to take place during nesting season, GRANTOR shall ensure that nesting surveys are conducted in coordination with a qualified biologist and shall modify activities based on survey results to prevent harm to identified nests.

(a) Within 100 feet of structures, except for Public Safety Systems installed pursuant to Section 5.3.10, and without need for notice to or approval from DISTRICT, GRANTOR may undertake brush removal, mowing, grazing, tree trimming, targeted tree removal, and other vegetation management methods of similar nature and intensity.

(b) Farther than 100 feet from structures, or in relation to Public Safety Systems installed pursuant to Section 5.3.10, GRANTOR may undertake vegetation management pursuant to a Vegetation Management Plan (defined below) approved in advance by DISTRICT. A “Vegetation Management Plan” is a document designed to guide GRANTOR’s conduct of vegetation management pursuant to this Section and may describe either an individual vegetation management project or a more comprehensive plan covering multiple projects. Any Vegetation Management Plan must incorporate the best available science and must identify the following: (i) the purpose of proposed work, (ii) the location of the treatment area(s), (iii) a timeline for completion, (iv) the “before” condition of the treatment area(s), (v) management objectives, (vi) treatment methods including any new infrastructure, (vii) post-treatment maintenance, and (viii) best

management practices, such as soil protection, appropriate tree spacing, special-status species protection, invasive species management, and snag retention. Any Vegetation Management Plan must be consistent with any then-current DISTRICT wildfire management policy, and the terms of this Easement. Any Vegetation Management Plan may include the following treatment methods:

- i. Limited brush removal and mowing, or other methods of similar nature and intensity;
- ii. Limited grazing undertaken in accordance with sound, generally accepted conservation practices;
- iii. Limited tree trimming and limited tree removal within a fuel break area or calming zone (as designated in the approved Vegetation Management Plan), and, if recommended by a fire protection agency having jurisdiction, vegetation removal within a fire break (as designated in the approved Vegetation Management Plan); and
- iv. Prescriptive or cultural burning consistent with the standards and requirements of the local fire protection agency having jurisdiction.

(c) Following any such vegetation management, GRANTOR shall promptly provide to DISTRICT a record of the “after” condition of the treatment areas, such as photographs and descriptions of the results of treatment.

5.4.5. Management, Restoration, and Enhancement. With prior written approval of DISTRICT, GRANTOR may undertake conservation and restoration activities, including, but not limited to, bank and soil stabilization, practices to enhance water quality, native plants and wildlife habitat and connectivity, and to promote biodiversity.

5.4.6. Native Tree Removal. Harvesting, cutting, trimming, transplanting, or destruction of any native trees is prohibited, except as reasonably necessary (i) to control insects and disease; (ii) to prevent personal injury and property damage; (iii) to maintain agricultural use; (iv) for the purpose of fire management, in accordance with Section 5.4.4; and (v) for natural resource management as set forth in Section 5.4.5 of this Easement. Native trees removed pursuant to this Section 5.5.6 may be used for personal firewood.

5.4.7. Native Vegetation Removal. Removal or destruction of any native non-tree vegetation is prohibited, except as reasonably necessary (i) for permitted agricultural uses; (ii) within the footprint of permitted structures and improvements; (iii) to control insects and

disease; (iv) to prevent personal injury and property damage; (v) for the purpose of fire management, in accordance with Section 5.4.4; and (vi) for natural resource management, as set forth in Section 5.4.5 of this Easement.

5.4.8. Native Animal Removal. Killing, hunting, trapping, injuring or removing native animals is prohibited except (i) under imminent threat to livestock or human life or safety; (ii) when reasonably necessary to control problem animals affecting agricultural crops; and (iii) as reasonably necessary for natural resource conservation and restoration in accordance with Section 5.4.5, using selective control techniques consistent with the policies of the Sonoma County Agricultural Commissioner and other governmental entities having jurisdiction.

5.4.9. Non-Native Plants and Animals.

(a) Removal. GRANTOR may remove or control non-native plant and animal species provided that techniques used minimize harm to native wildlife and plants and are in accordance with sound, generally-accepted conservation practices.

(b) Introduction. GRANTOR shall not establish or plant non-native plant and animal species except for those cultivated for permitted agricultural uses or within designated Building Envelopes.

5.4.10. Off-road Motorized Vehicle Use. Use of motorized vehicles off roadways is prohibited, except for the minimum necessary in connection with permitted agriculture, construction, maintenance, emergency access, and property management activities.

5.4.11. Dumping. Dumping, releasing, burning, or other disposal of wastes, refuse, debris, non-operative motorized vehicles, or hazardous substances is prohibited except that agricultural products and by-products generated on the Property may be disposed on site, consistent with sound generally-accepted agricultural practices. GRANTOR shall remove garbage or materials dumped on the Property by third parties.

5.4.12. Outdoor Storage. Outdoor storage shall be prohibited except as provided in this Section.

(a) Storage of Materials Related to Allowed Uses. GRANTOR may store vehicles, building materials, machinery, and agricultural supplies and products reasonably necessary for permitted uses outdoors so long as such storage is consistent with sound generally accepted agricultural practices, is located outside the Building Exclusion Area, and provided such storage shall be located so as to minimize visual impacts.

(b) Storage of Construction Materials. GRANTOR may store construction and other work materials outdoors as needed during construction of permitted structures and improvements on the Property while work is in progress and for a period not to exceed thirty (30) days after completion or abandonment of construction, provided that such storage is outside the Building Exclusion Area. Construction shall be deemed abandoned if work ceases for a period of 180 days.

5.5. Public Access to the Property. Though the Agricultural Conservation Covenant requires provision of public educational events, this Easement shall not be construed as granting, permitting, or affording the public access to any portion of the Property or as limiting or precluding GRANTOR's right to exclude the public from the Property. Nothing in this Easement shall be construed to preclude GRANTOR's right to grant access to third parties across the Property, provided that such access is allowed in a reasonable manner and is consistent with the Conservation Purpose of this Easement and so long as such access is undertaken subject to the terms and conditions of this Easement.

5.6. Easements. GRANTOR may continue the use of existing easements of record granted prior to this Easement. The granting of new temporary or permanent easements, and the modification or amendment of existing easements is prohibited without the prior written approval of DISTRICT. It is the duty of GRANTOR to prevent the use of the Property by third parties that may result in the creation of prescriptive rights.

PART FOUR: PROCEDURES AND REMEDIES

6. Notice and Approval Procedures. Some activities and uses permitted by this Easement require that prior written notice be given by GRANTOR to DISTRICT, while other activities and uses permitted by this Easement require the prior written approval of DISTRICT. Unless and until such notice is given or approval is obtained in accordance with this Section 6, any such activity or use shall be deemed to be prohibited on the Property. GRANTOR shall use the procedures set forth below to provide notice to DISTRICT or to obtain DISTRICT's approval. All notices and requests for approval shall include all information necessary to permit DISTRICT to make an informed judgment as to the consistency of GRANTOR's request with the terms, conditions and Conservation Purpose of this Easement. DISTRICT may request such additional or supplemental information as it deems necessary to evaluate any notice or request for approval. Forms for notices and requests for approval shall be available at DISTRICT's offices.

6.1. Uses/Activities Requiring Notice to DISTRICT. For any activity or use that requires prior written notice to DISTRICT, GRANTOR shall deliver such notice to DISTRICT at least forty-five (45) days prior to the commencement of such activity or use. That forty-five (45) day time period provides

DISTRICT an opportunity to evaluate whether the proposed activity or use is consistent with the terms, conditions and Conservation Purpose of this Easement before the activity or use is begun.

6.2. Uses/Activities Requiring Prior Approval from DISTRICT. For any activity or use that requires prior written approval from DISTRICT, GRANTOR shall file a request for such approval (“GRANTOR’s request”) at least forty-five (45) days prior to the intended commencement of such activity or use. DISTRICT shall have forty-five (45) days from the receipt of a complete request for approval to review the request and to approve, conditionally approve, disapprove or notify GRANTOR of any objection thereto. In order to consider GRANTOR’s request complete, DISTRICT may require that GRANTOR submit additional information and/or a plan for such proposed activity or use. Disapproval or objection, if any, shall be based on DISTRICT’s determination that the proposed activity or use is inconsistent with the terms, conditions or Conservation Purpose of this Easement or that GRANTOR’s request is incomplete or contains material inaccuracies. If, in DISTRICT’s judgment, the proposed activity or use would not be consistent with the terms, conditions or Conservation Purpose of this Easement or the request is incomplete or contains material inaccuracies, DISTRICT’s notice to GRANTOR shall inform GRANTOR of the reasons for DISTRICT’s disapproval or objection. Only upon DISTRICT’s express written approval, given by DISTRICT’s General Manager, may the proposed activity or use be commenced, and then only in accordance with the terms and conditions of DISTRICT’s approval.

6.3. DISTRICT’s Failure to Respond. Should DISTRICT fail to respond to GRANTOR’s request for approval within forty-five (45) days of the receipt of GRANTOR’s request, GRANTOR may, after giving DISTRICT ten (10) days written notice by registered or certified mail, commence an action in a court of competent jurisdiction to compel DISTRICT to respond to GRANTOR’s request. In the event that such legal action becomes necessary to compel DISTRICT to respond and GRANTOR prevails in that action, DISTRICT shall reimburse GRANTOR for all reasonable attorney fees incurred in that action.

6.4. Uses/Activities Not Expressly Addressed: DISTRICT’s Approval. In the event GRANTOR desires to commence an activity or use on the Property that is neither expressly permitted nor expressly prohibited in Section 5, GRANTOR shall seek DISTRICT’s prior written approval of such activity or use in accordance with the procedure set forth in Section 6.2. The exercise of any activity or use not expressly permitted in Section 5 may constitute a breach of this Easement and may be subject to the provisions of Section 10 (*Remedies for Breach*).

7. Costs and Liabilities Related to the Property.

7.1. Maintenance of the Property. GRANTOR agrees to bear all costs and liabilities of any kind related to the operation, upkeep, and maintenance of the Property and does hereby indemnify and hold DISTRICT harmless therefrom. Without limiting the foregoing, GRANTOR agrees to pay any

and all real property taxes, fees, exactions, and assessments levied or imposed by local, state or federal authorities on the Property. GRANTOR shall be solely responsible for any costs related to the maintenance of general liability insurance covering acts on the Property. DISTRICT shall have no responsibility whatever for the operation of the Property, the monitoring of hazardous conditions thereon, or the protection of GRANTOR, the public, or any third parties from risks relating to conditions on the Property. Except as otherwise provided in Section 8, GRANTOR hereby agrees to indemnify and hold DISTRICT harmless from and against any damage, liability, claim, or expense, including attorneys' fees, relating to such matters.

7.2. Hazardous Materials.

7.2.1. No DISTRICT Obligation or Liability. Notwithstanding any other provision of this Easement to the contrary, the parties do not intend and this Easement shall not be construed such that it creates in DISTRICT: a) The obligations or liabilities of an "owner" or "operator" as those words are defined and used in environmental laws, as defined below, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 United States Code, sections 9601 *et seq.*) ("CERCLA"); b) The obligations or liabilities of a person described in 42 United States Code section 9607(a)(3) or any successor statute then in effect; c) The right to investigate and remediate any hazardous materials, as defined below, on or associated with the Property; or d) Any control over GRANTOR's ability to investigate and remediate any hazardous materials, as defined below, on or associated with the Property.

7.2.2. Warranty of Compliance. GRANTOR represents, warrants, and covenants to DISTRICT that GRANTOR's use of the Property shall comply with all environmental laws, as defined below.

7.2.3. Definitions. For the purposes of this Easement:

(a) The term "hazardous materials" includes, but is not limited to, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in CERCLA, the Hazardous Materials Transportation Act, as amended (49 United States Code sections 1801 *et seq.*), the Resource Conservation and Recovery Act of 1976, as amended (42 United States Code sections 6901 *et seq.*), sections 25117 and 25316 of the California Health & Safety Code, and in the regulations adopted and publications promulgated pursuant to them, or any other federal, state, or local environmental laws, ordinances, rules, or regulations concerning the environment, industrial hygiene or public health or safety now in effect or enacted after the date of this Easement.

(b) The term “environmental laws” includes, but is not limited to, any federal, state, local or administrative agency statute, regulation, rule, ordinance, order or requirement relating to environmental conditions or hazardous materials.

8. Indemnification.

8.1. GRANTOR’s Indemnity. GRANTOR shall hold harmless, indemnify, and defend DISTRICT, its agents, employees, volunteers, successors and assigns, from and against all damages, liabilities, claims and expenses, including reasonable attorneys’ fees, arising from or in any way connected with (i) injury to or the death of any person, or physical damage to any property resulting from any act, omission, condition or other matter related to or occurring on or about the Property, except to the extent that such damage, liability, claim or expense is the result of the negligence, gross negligence, or intentional misconduct of DISTRICT; and (ii) the obligations specified in Section 7 (Costs and Liabilities Related to the Property); and (iii) any approvals given under Section 6. In the event of any claim, demand, or legal complaint against DISTRICT, the right to the indemnification provided by this Section 8.1 shall not apply to any cost, expense, penalty, settlement payment, or judgment, including attorneys’ fees, incurred prior to DISTRICT’s written notice of such claim, demand, or legal complaint to GRANTOR, unless GRANTOR has acquired knowledge of the matter by other means, nor to any costs, expenses, or settlement payment, including attorneys’ fees, incurred subsequent to that notice unless such cost, expense, or settlement payment shall be approved in writing by GRANTOR, which approval shall not be unreasonably withheld.

8.2. DISTRICT’s Indemnity. DISTRICT shall hold harmless, indemnify, and defend GRANTOR, its heirs, devisees, successors and assigns, from and against all damages, liabilities, claims and expenses, including reasonable attorneys’ fees, arising from or in any way connected with injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Property and attributable to DISTRICT, except to the extent that such damage, liability, claim or expense is the result of the negligence, gross negligence, or intentional misconduct of GRANTOR (it being the intent of this provision to limit DISTRICT's indemnity to the proportionate part of GRANTOR's damage, liability, claim or expense for which DISTRICT is responsible). In the event of any claim, demand, or legal complaint against GRANTOR, the right to the indemnification provided by this Section 8.2 shall not apply to any cost, expense, penalty, settlement payment, or judgment, including attorneys’ fees, incurred prior to GRANTOR’s written notice of such claim, demand, or legal complaint to DISTRICT, nor to any costs, expenses, or settlement payment, including attorneys’ fees, incurred subsequent to that notice unless such cost, expense, or settlement payment shall be approved in writing by DISTRICT, which approval shall not be unreasonably withheld. DISTRICT hereby also agrees to hold harmless, indemnify and defend GRANTOR from and against all damages, liabilities, claims and expenses, including attorneys’ fees, asserted against GRANTOR by any officer, agent, employee, or volunteer of DISTRICT, for personal

injury and/or property damage arising out of any inspection or visit to the Property by any such officer, agent, employee or volunteer on behalf of DISTRICT, except to the extent that such injury is attributable to the negligence, gross negligence or intentional misconduct of GRANTOR.

9. Baseline Documentation for Enforcement. In order to establish the present condition of the Property, DISTRICT has prepared a Baseline Documentation Report which will be maintained on file with DISTRICT and which is intended to serve as an objective information baseline for monitoring compliance with the terms of this Easement. The Baseline Documentation Report includes a Baseline Site Map, which depicts Building Envelopes and other Easement Designation Areas. A copy of the Baseline Documentation Report has been provided to GRANTOR. The parties agree that the Baseline Documentation Report provides an accurate representation of the Property at the time of the execution of this Easement.

10. Remedies for Breach.

10.1. DISTRICT's Remedies. In the event of a violation or threatened violation by GRANTOR of any term, condition or restriction contained in this Easement, DISTRICT may, following notice to GRANTOR, institute a suit to enjoin and/or recover damages for such violation and/or to require the restoration of the Property to the condition that existed prior to such violation.

10.1.1. DISTRICT's notice to GRANTOR shall contain a general description of the condition claimed by DISTRICT to be a violation and shall contain a reasonable and specific cure period by which the violation is to cease and the Property is to be restored to the condition that existed prior to the violation. The notice shall be provided in accordance with Section 18.

10.1.2. If DISTRICT reasonably determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values protected by this Easement, DISTRICT (i) may pursue any and all remedies available under law without waiting for the cure period to expire, (ii) shall have the right, without notice, to enter the Property for the purpose of assessing damage or threat to the Conservation Values protected by this Easement and determining the nature of curative or mitigation actions that should be taken, and (iii) shall have the right to record a notice of violation in the Office of the Sonoma County Recorder.

10.1.3. DISTRICT's rights under this Section 10 shall apply equally in the event of either actual or threatened violations of the terms of this Easement.

10.1.4. GRANTOR agrees that DISTRICT's remedies at law for any violation of the terms of this Easement are inadequate and that DISTRICT shall be entitled to injunctive relief, both prohibitive and mandatory and including specific performance, in addition to such other relief, including damages, to which DISTRICT may be entitled, without the necessity of proving either

actual damages or the inadequacy of otherwise available legal remedies. DISTRICT may further recover any damages to which it may be entitled for violation of the terms of this Easement or injury to any Conservation Values protected by this Easement (including but not limited to damages for the loss of scenic, recreational, or environmental values), and to require the restoration (or damages for the cost of restoration) of the Property to the condition that existed prior to any such injury. To the extent that any financial benefit gained from the violation of this Easement exceeds the amount of damages awarded or the value of other remedies provided, GRANTOR expressly agrees that disgorgement of any such additional benefits or profits is an appropriate remedy that shall apply to such a violation, regardless of whether such benefit exceeds the cost incurred by GRANTEE or quantifiable harm to the Property as a result of the violation.

10.1.5. All reasonable costs incurred by DISTRICT in enforcing this Easement against GRANTOR, shall be borne by GRANTOR; provided, however, that if GRANTOR ultimately prevails in a judicial enforcement action or arbitration proceeding brought by DISTRICT, then DISTRICT shall bear its own costs and pay for GRANTOR's reasonable costs and expenses of suit. Costs are defined for purposes of this Section, and all other references to costs in this Easement, as including all reasonable costs necessitated by GRANTOR's violation of the terms of this Easement or request for approval or amendment. Costs include, without limitation, costs of restoration necessitated by violation of this Easement; costs and expenses of suit; reasonable professional fees of attorneys, consultants, witnesses, surveyors, and accountants; and expenses and compensation for DISTRICT staff time required to respond to a violation or request.

10.2. No Waiver. Enforcement of the terms of this Easement shall be at the sole discretion of DISTRICT, and any forbearance by DISTRICT to exercise its rights under this Easement in the event of any violation or threatened violation of any term of this Easement shall not be deemed or construed to be a waiver by DISTRICT of such term or of any subsequent violation or threatened violation of the same or any other term of this Easement. Any failure by DISTRICT to act shall not be deemed a waiver or forfeiture of DISTRICT's right to enforce any terms or conditions of this Easement in the future. GRANTOR hereby waives any defense of laches, waiver, estoppel, or prescription.

10.3. GRANTOR's Compliance. If DISTRICT, in the notice to GRANTOR, demands that GRANTOR remove an improvement, discontinue a use or both and claims the damages allowed by Civil Code section 815.7(c), then GRANTOR may mitigate damages by fully complying with DISTRICT's notice within the cure period provided therein. If GRANTOR so complies, then in the event of litigation arising out of the notice, brought either by GRANTOR or by DISTRICT, if GRANTOR prevails, then GRANTOR shall be entitled to economic damages, if any, resulting from its compliance with DISTRICT's notice.

Neither DISTRICT nor GRANTOR shall be entitled to damages where DISTRICT has not claimed damages in its notice.

10.4. Remedies Nonexclusive. The remedies set forth in this Section 10 are in addition to, and are not intended to displace, any other remedy available to either party as provided by this Easement, Civil Code sections 815 *et seq.* or any other applicable local, state or federal law.

11. Acts Beyond GRANTOR's Control. Except as otherwise provided in Section 5.1.5 (*Duty to Prevent Waste, Nuisance, and Trespass*) and this Section 11, nothing contained in this Easement shall be construed to entitle DISTRICT to bring any action against GRANTOR for any injury to or change in the Property resulting from causes beyond GRANTOR's control, including, but not limited to, wildfire, flood, storm, earth movement, or a tortious or criminal act of a third party which GRANTOR could not have reasonably prevented, or from any prudent action taken by GRANTOR under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes so long as such action, to the extent that GRANTOR has control, is designed and carried out in such a way as to further the Conservation Purpose of this Easement. Without limiting the generality of the foregoing, GRANTOR shall be liable to DISTRICT for modifications or damage to the Property that impair or damage the Conservation Values of the Property when those modifications or damage result from the acts or omissions of third parties whose use of or presence on the Property is authorized or requested by GRANTOR. In the event that the Conservation Values of the Property are damaged or impaired as a result of the acts or omissions of third parties, GRANTOR shall diligently pursue all available legal remedies against such parties to ensure restoration of the Property. Nothing contained herein shall limit or preclude GRANTOR's or DISTRICT's rights to pursue any third party for damages to the Property's Conservation Values.

12. Extinguishment and Condemnation.

12.1. Extinguishment. Subject to the requirements and limitations of California Public Resources Code section 5540, or any successor statute then in effect, if circumstances arise in the future that render the Conservation Purpose of this Easement impossible to accomplish, this Easement can only be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction, and the amount of the compensation to which DISTRICT shall be entitled from any sale, exchange or involuntary conversion of all or any portion of the Property after such termination or extinguishment, shall be determined, unless otherwise provided by California law at the time, in accordance with Section 12.3. All proceeds paid to DISTRICT shall be used by DISTRICT for the purpose of the preservation of agriculture and open space within Sonoma County.

12.2. Condemnation. If all or any part of the Property is taken by exercise of the power of eminent domain or acquired by purchase in lieu of condemnation; whether by public, corporate, or

other authority, so as to terminate this Easement in whole or in part, either GRANTOR or DISTRICT (or both, on such conditions as they may agree) may commence appropriate actions to recover the full value of the Property (or portion thereof) subject to the condemnation or in-lieu purchase and all direct or incidental damages resulting therefrom. Any expense incurred by GRANTOR or DISTRICT in any such action shall first be reimbursed out of the recovered proceeds; the remainder of such proceeds shall be divided between GRANTOR and DISTRICT in proportion to their interests in the Property, as established by Section 12.3.

12.3. Property Interest and Fair Market Value. This Easement constitutes a real property interest immediately vested in DISTRICT. For the purpose of this Section 12, the parties stipulate that, in the event of condemnation of the Property or any portion thereof, the fair market value of the Property for purposes of just compensation shall be determined as though this Easement and the Affirmative Agricultural Covenant did not exist. GRANTOR and DISTRICT shall share the compensation on the following basis: GRANTOR 48.14% and DISTRICT 51.86 % (which percentages are derived from the ratio of the price paid for the Easement and the Affirmative Agricultural Covenant to the appraised value of the Property before being encumbered by the Easement and the Affirmative Agricultural Covenant), or as otherwise agreed upon by them in writing at the time of condemnation. In the apportionment of the proceeds from any eminent domain proceeding, an adjustment shall be made in GRANTOR's favor for any increase in value attributable to improvements made on the Property after the date of this Easement, provided that such improvements were not made or funded by DISTRICT and further provided that such improvements do not constitute a breach of this Easement.

PART FIVE: MISCELLANEOUS

13. Approvals. Whenever in this Easement the consent or approval of one party is required as to an act of the other party, such consent or approval shall not be unreasonably withheld, conditioned or delayed, unless another standard is expressly provided for herein.

14. Interpretation and Construction. To the extent that this Easement may be uncertain or ambiguous such that it requires interpretation or construction, then it shall be interpreted and construed in such a way that best promotes the Conservation Purpose of this Easement.

15. Easement to Bind Successors. The Easement herein granted shall be a burden upon and shall continue as a restrictive covenant and equitable servitude running in perpetuity with the Property and shall bind GRANTOR, GRANTOR's heirs, personal representatives, lessees, executors, successors, including purchasers at tax sales, assigns, and all persons claiming under them forever. The parties intend that this Easement shall benefit and burden, as the case may be, their respective successors, assigns, heirs, executors, administrators, agents, officers, employees, and all other persons claiming by

or through them pursuant to the common and statutory law of the State of California. Further, the parties agree and intend that this Easement creates an easement encompassed within the meaning of the phrase “easements constituting servitudes upon or burdens to the property,” as that phrase is used in California Revenue & Taxation Code section 3712(d), or any successor statute then in effect, such that a purchaser at a tax sale will take title to the Property subject to this Easement.

16. Subsequent Deeds and Leases. GRANTOR agrees that a clear reference to this Easement will be made in any subsequent deed, or other legal instrument, by means of which any interest in the Property (including a leasehold interest) is conveyed and that GRANTOR will provide a copy of this Easement to any party acquiring an interest in the Property from GRANTOR. GRANTOR further agrees to give written notice to DISTRICT of the conveyance of any interest in the Property at least thirty (30) days prior to any such conveyance. These obligations of GRANTOR shall not be construed as a waiver or relinquishment by DISTRICT of rights created in favor of DISTRICT by Section 15 (*Easement to Bind Successors*) of this Easement and the failure of GRANTOR to perform any act required by this Section 16 shall not impair the validity of this Easement or limit its enforceability in any way.

17. Warranty of Ownership. GRANTOR warrants that it is the owner in fee simple of the Property, and that on the date it executed this Easement the Property is not subject to any deeds of trust. [OR
OPTION IF DEEDS OF TRUST SUBORDINATED: **Warranty of Ownership.** GRANTOR warrants that it is the owner in fee simple of the Property, and that on the date it executed this Easement, the Property is not subject to any liens or deeds of trust other than the liens or deeds of trust identified in Exhibit D, attached hereto and incorporated herein by this reference, whose beneficiaries have therein consented to this Easement, agreed to subordinate their respective interests in the Property to this Easement, and covenanted that any sale made under the provisions of the respective liens or deeds of trust shall be subject to this Easement.]

18. Notices.

18.1. Method of Delivery. Except as otherwise expressly provided herein, all notices, (including requests, demands, approvals or communications) under this Easement shall be in writing and either served personally or sent by first class mail, postage prepaid, private courier or delivery service or telecopy addressed as follows:

To GRANTOR: Tierra Vegetables, Inc.
220 Pleasant Avenue
Santa Rosa, CA 95403

To DISTRICT: General Manager
Sonoma County Agricultural Preservation and Open Space District
747 Mendocino Avenue, Suite 100
Santa Rosa, CA 95401

Or to such other address as such party from time to time may designate by written notice pursuant to this Section 18.

18.2. Effective Date of Notice. Notice shall be deemed given for all purposes as follows:

18.2.1. When mailed first class postage prepaid to the last address designated by the recipient pursuant to Section 18.1, notice is effective one business day following the date shown on the postmark of the envelope in which such notice is mailed or, in the event the postmark is not shown or available, then one business day following the date of mailing. A written declaration of mailing executed under penalty of perjury by GRANTOR or DISTRICT or an officer or employee thereof shall be sufficient to constitute proof of mailing.

18.2.2. When sent by fax to the last fax number of the recipient known to the party giving notice, notice is effective on receipt as long as (i) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery or (ii) the receiving party delivers a written confirmation of receipt. Subject to the foregoing requirements, any notice given by fax shall be considered to have been received on the next business day if it is received after 5 p.m. (recipient's time) or on a non-business day.

18.2.3. In all other instances, notice shall be deemed given at the time of actual delivery.

18.3. Refused or Undeliverable Notices. Any correctly addressed notice that is refused or undeliverable because of an act or omission of the party to be notified shall be considered to be effective as of the first date that the notice was refused or considered undeliverable by the postal authorities, messenger, or overnight delivery service.

19. Amendment. If circumstances arise under which an amendment or modification of this Easement would be appropriate, GRANTOR and DISTRICT shall be free to jointly amend this Easement, provided that any amendment shall be consistent with the Conservation Purpose of this Easement, shall ensure protection of the Conservation Values of the Property, shall not affect the Easement's perpetual duration, and shall be consistent with Public Resources Code section 5540 and any successor statute then in effect. Any such amendment shall be in writing, executed by GRANTOR and DISTRICT, and recorded in the Office of the Sonoma County Recorder.

20. No Forfeiture. GRANTOR represents and warrants that nothing contained in this Easement shall result in a forfeiture or reversion of GRANTOR's title in any respect. If a forfeiture or reversion does occur, GRANTOR shall return, with interest, all consideration paid by DISTRICT for the acquisition of this Easement. If a forfeiture or reversion does occur, GRANTOR shall return, with interest calculated in accordance with the rate established pursuant to the next sentence, all consideration paid by DISTRICT for the acquisition of this Easement. The interest rate applicable to the amount owed to DISTRICT pursuant to this paragraph shall be the greater of (i) 5% or (ii) the percentage change in the Consumer Price Index for All Urban Consumers (base year 1982-1984 = 100) for San Francisco Oakland and San Jose published by the United States Department of Labor, Bureau of Labor Statistics from the date the Easement is recorded to the date of DISTRICT's demand for reimbursement pursuant to this paragraph.

21. Assignment of Rights and Obligations. GRANTOR's rights and obligations under this Easement will be assigned to GRANTOR's successor-in-interest upon transfer of GRANTOR's interest in the Property to such successor, except that GRANTOR's liability for acts or omissions occurring prior to the transfer shall survive the transfer.

22. Enforceable Restriction. This Easement and each and every term contained herein is intended for the benefit of the public and constitutes an enforceable restriction pursuant to the provisions of Article XIII, section 8 of the California Constitution, California Public Resources Code section 5540, and California Revenue and Taxation Code section 421 *et seq.*, or any successor constitutional provisions or statutes then in effect.

23. Applicable Law and Forum. This Easement shall be construed and interpreted according to the substantive law of California, excluding the law of conflicts. Any action to enforce the provisions of this Easement or for the breach thereof shall be brought and tried in the County of Sonoma.

24. DISTRICT's General Manager. Wherever used herein, the term DISTRICT's General Manager, and any pronoun used in place thereof, shall mean and include the General Manager of DISTRICT and his or her duly authorized representatives.

25. Fees and Charges. DISTRICT shall have the right to establish and impose on GRANTOR reasonable fees and charges, including attorney's fees, on GRANTOR for inspections, approvals, and other services performed by or for DISTRICT pursuant to this Easement. Such fees and charges shall not exceed the reasonable costs of providing such services.

26. Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to this Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to this Easement, all of which are merged herein. No alteration or variation of this instrument

shall be valid or binding unless contained in a written amendment prepared, executed and recorded in accordance with Section 19.

27. Severability. In the event any provision of this Easement is determined by the appropriate court to be void and unenforceable, all remaining terms and conditions shall remain valid and binding. If the application of any provision of this Easement is found to be invalid or unenforceable as to any particular person or circumstance, the application of such provisions to persons or circumstances, other than those as to which it is found to be invalid, shall not be affected thereby.

28. Counterparts. This Easement may be signed in multiple counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement.

29. Estoppel Certificates. DISTRICT shall, at any time during the existence of this Easement, upon not less than thirty (30) days' prior written notice from GRANTOR, execute and deliver to GRANTOR a statement in writing certifying that this Easement is unmodified and in full force and effect (or, if modified, stating the date of recordation of the respective amendment) and acknowledging that there is not, to DISTRICT's knowledge, any default by GRANTOR hereunder, or, if DISTRICT alleges a default by GRANTOR, specifying such default. DISTRICT's obligation to deliver the statement of certification is conditioned on GRANTOR's reimbursing DISTRICT for all costs and expenses reasonably and necessarily incurred in its preparation as determined by DISTRICT's General Manager.

30. No Liens, Encumbrances, or Conveyances. GRANTOR warrants that after it has executed this Easement, it will not record any lien, encumbrance, or otherwise convey any right, title, or interest in and to the Property until such time as this Easement has been accepted and recorded by DISTRICT.

31. Effective Date. This Easement shall be effective as of the date of its recordation in the Office of the Sonoma County Recorder (the "Effective Date").

[signatures on following page]

IN WITNESS WHEREOF, GRANTOR and DISTRICT have executed this Easement this _____ day of _____, 20__.

GRANTOR:

TIERRA VEGETABLES, INC.

By: _____
Wayne James, [Corporate or partnership representation of authority to sign]

DISTRICT:

SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT

By: _____
NAME, President of the Board of Directors

ATTEST:

Noelle Francis, Deputy Clerk of the Board of Directors

NOTE: ACKNOWLEDGMENTS MUST BE ATTACHED FOR ALL SIGNATORIES.

Exhibit A: Legal Description

Exhibit B: Project Structure Map

Exhibit C: Descriptions of Easement Designation Areas

Certificate of Acceptance

EXHIBIT "A"
Legal Description of Property

For APN/Parcel ID(s): 059-230-040-000 (Old) 059-230-089-000 (New) and 059-230-074-000 (Old)
059-230-088-000 (New)

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA IN COUNTY OF SONOMA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Being situated in the Northwest 1/4 of Section 29, Township 8 North, Range 8 West, Mount Diablo Meridian:

Commencing at a found 1/2" iron pipe as shown on that certain Record of Survey Map, entitled, "Record of Survey in Section 29, etc.", recorded in [Book 60 of Maps, Page 6](#), Sonoma County Records, said pipe lies on the East line of that certain 1.47 acre parcel, being the lands of Frank and Anna Johnson, and is North 300.0 feet from the Southeast corner thereof; thence from said point of commencement East 19.8 feet to a found 1/2" iron pipe on the South line of mark West Station Road; thence South 300.00 feet to set 1/2" iron pipe and tag, being the true point of beginning for the parcel to be herein described and also the most Southwesterly corner of the lands conveyed to the mark West Neighborhood Church, as said conveyance is [recorded in Book 1510 of Official Records, Page 365](#), Sonoma County Records; thence from said true point of beginning, South 515.46 feet to a found 1/2" iron pipe as referred to in that certain Grant Deed from John A. Esposti, et ux., and Michael J. Debonis, et ux., to the State of California and [recorded in Book 1642 of Official Records, Page 323](#), Sonoma County Records; thence North 89° 57' 30" East, 185.90 feet (State Deed 186.02) to a found 1/2" iron pipe, also referred to in said Deed; thence South 57.05 feet to a 1/2" iron pipe and tag set for the most Northwesterly corner of that certain 1.357 acre tract as described in Deed from Sonoma County Land Title Company to the State of California and [recorded in Book 1722 of Official Records, Page 459](#), Sonoma County Records; thence along the Northeasterly line of said 1.357 acre Parcel, from a tangent that bears South 75° 25' 17" East (all State Deed bearings shown hereafter rotated 39° 57') along a curve to the right with a radius of 450.00 feet, through an angle of 29° 36' 33" an arc length of 232.55 feet; thence South 45° 48' 44" East, 198.08 feet; thence along a curve to the left with a radius of 350.00 feet, through an angle of 23° 49' 38" an arc length of 145.55 feet; thence South 69° 38' 22" East, 75.85 feet; thence South 0° 22' 30" East, 12.00 feet to the Northerly line of Lone Redwood Road (60 feet wide); thence along said Northerly line of Lone Redwood Road (60 feet wide); thence along said Northerly line, North 89° 37' 30" East, 797.36 feet to a point in the center of Fulton Road; thence along the center of Fulton Road North 0° 00' 51" West, 1012.56 feet to a point (from which a set 1/2" iron pipe and tag bears North 89° 57' 39" West, 24.06 feet); thence leaving said Road, North 89° 57' 39" West, 1023.80 feet to a set 1/2" iron pipe and tag; thence North 20.00 feet to a set 1/2" iron pipe and tag; thence North 89° 57' 39" West, 220.00 feet to a found 1/2" iron pipe and tag (L.S. 2756); thence North 175.00 feet to a found 1/2" iron pipe and tag (L.S. 2756); thence on a curve to the right with a radius of 25.00 feet for a distance of 39.27 feet to a found 1/2" iron pipe and tag (L.S. 1286) said found iron pipe being a point on the South line of Mark West Station Road, as described in Deed to the County of Sonoma and [recorded in Book 1571 of Official Records, Page 589](#), Sonoma County Records; thence along the Southerly edge of said road, North 89° 57' 39" West, 100.00 feet to a set 1/2" iron pipe and tag; thence on a curve to the right with a radius of 25.00 feet, from a tangent which bears South 89° 57' 39" East, for a distance of 39.27 feet to a set 1/2" iron pipe and tag; thence South 275.00 feet to a set 1/2" iron pipe and tag; thence North 89° 57' 39" West, 225.00 feet to the point of beginning, basis of bearings; centerline Lone-Redwood Road by found monuments course North 89° 37' 30" East, all tags mentioned herein and not otherwise identified bear the inscription "R.S. Hogan, L.S. 2798".

Excepting therefrom, the following described property:

Being a portion of the lands of utilities and Industries Corporation, as [recorded in Book 1891 of Official Records, Page 597](#), and being more particularly described as follows:

Beginning at a 1/2" iron pipe monument found on the dividing line of the said lands of utilities and Industries Corporation and the lands of Kenneth G. and Joan Lucille Lawson, as [recorded in Book 2512 of Official Records, Page 608](#), from which Engineer's Station 30+07.31 P.O.T. as shown on a Map entitled "Fulton Road", dated January 1977, and on File in the Office of the Sonoma County Department of public works, bears South 89° 19' 39" East, 22.49 feet; thence from said point of beginning and along said dividing line, North 89° 19' 39" West,

EXHIBIT "A"
Legal Description
(continued)

12.51 feet to a point from which a 1/2" iron pipe monument found in the North line of the said lands of utilities and Industries Corporation, bears North 89° 19' 39" West, 987.46 feet; thence leaving said dividing line, South 0° 36' 56" West, 7.03 feet to a point from which Engineer's Station 30+00 28 E.C. bears South 89° 23' 04" East, 35.00 feet; thence curving to the right with a radius of 4965 feet, through an angle of 2° 47' 34" for a distance of 242.01 feet to a point from which Engineer's Station 27+56.55 P.R.C. bears South 86° 35' 30" West 35.00 feet; thence curving to the left from a tangent which bears South 3° 24' 30" West, with a radius of 5035 feet through an angle of 2° 33' 46" for a distance of 225.21 feet to a point from which Engineer's Station 25+32.91 B.C. Bears South 39° 09' 16" East, 35.00 feet; thence South 0° 50' 44" West, 513 feet, more or less; thence curving to the right with a radius of 25 feet to a point on the South line of the said lands of utilities and Industries Corporation; thence along said South line in an Easterly direction to the Southeast corner of the said lands of utilities and Industries Corporation; thence along the East line of the said lands of utilities and Industries Corporation in a Northerly direction to the Northeast corner of the said lands of utilities and Industries Corporation; thence along the said North line of the said lands of utilities and Industries Corporation, North 89° 19' 39" West, to the point of beginning.

Basis of bearing: Bearing between monuments S-111 and S-112, as shown on a Map entitled, "California State Highway Monument Map", Page S-141.8 and on File in the Sonoma County Department of Public Works.

Further Excepting Therefrom, All the lands as shown on that certain Map entitled, Larkfield Meadows Subdivision, filed for record August 8, 1985, in [Book 375 of Maps, at Pages 6](#) through 9, inclusive, Sonoma County Records.

Further Excepting Therefrom, The lands conveyed to the County of Sonoma in the Deed recorded August 20, 1985, under Recorder's Serial #85-54642, Sonoma County Records.

Further Excepting Therefrom, That portion conveyed to the County of Sonoma in the Deed recorded September 12, 2014, [Instrument No. 2014-64155](#), Sonoma County Records.

Further Excepting Therefrom, That portion conveyed to the State of California in the Deed recorded September 17, 2014, [Instrument No. 2014-65284, of Official Records](#).

Exhibit B

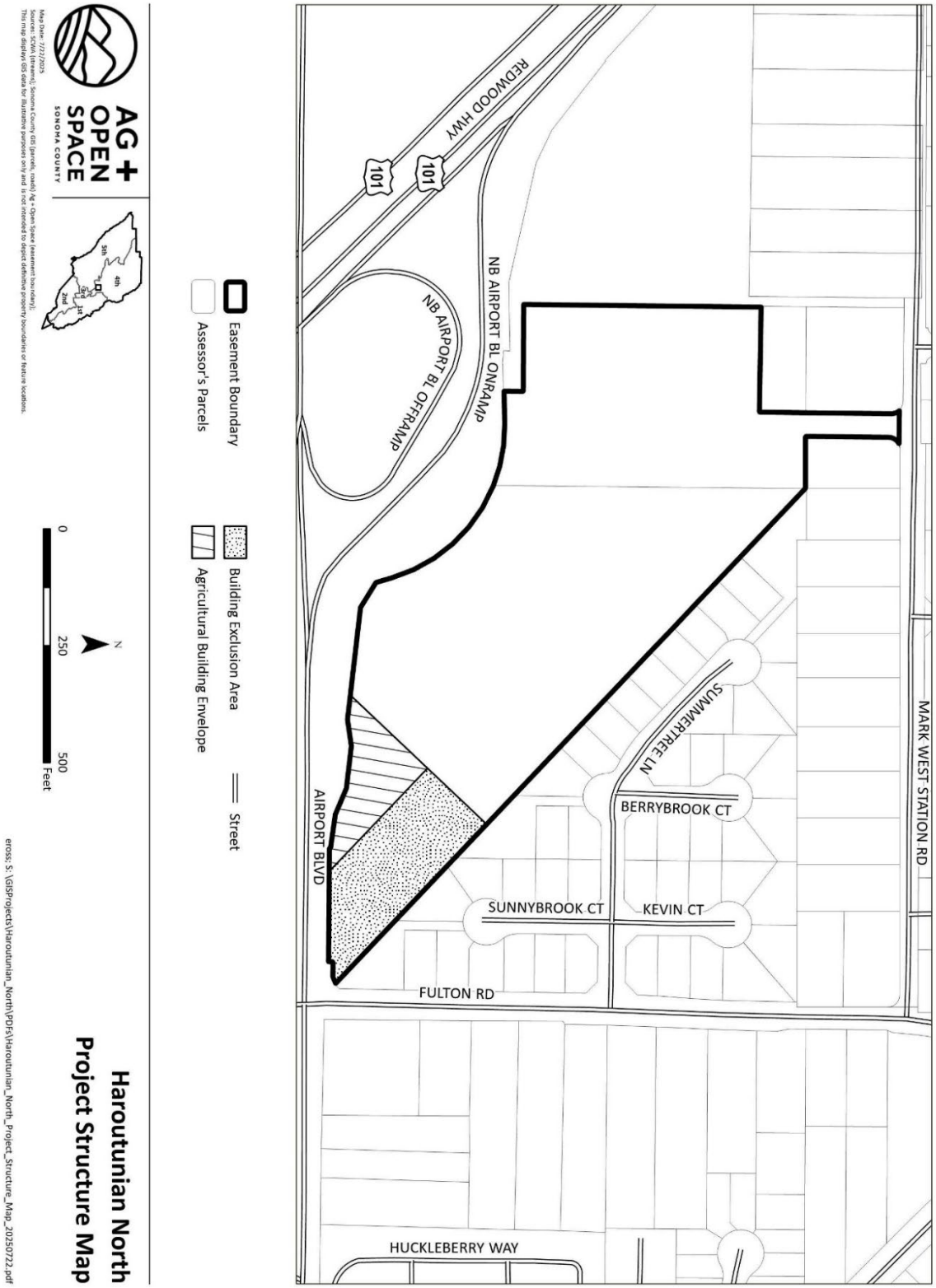


Exhibit C
Descriptions of Easement Designation Areas

[DESCRIPTION STARTS ON NEXT PAGE]

Building Envelope 1

Lying within the State of California, County of Sonoma, Unincorporated Area, and being a portion of the lands of Sonoma County Agricultural Preservation and Open Space District, a Special District formed pursuant to the California Public Resources Code, as described in that Grant Deed recorded February 27, 1998 under Document Number 1998-0019034, Official Records of Sonoma County, said portion is more particularly described as follows:

Being situated in the Northwest 1/4 of Section 29, Township 8 North, Range 8 West, Mount Diablo Meridian:

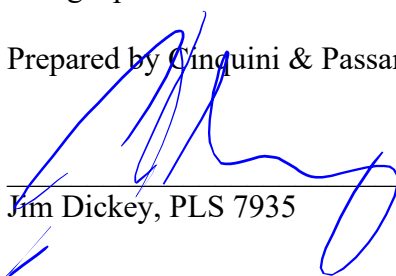
Commencing from a 1/2" iron pipe as shown on that certain Record of Survey Map, recorded in Book 381 of Maps, Page 4, Sonoma County Records, said point being in the most southeasterly corner of that certain 17.83 acre parcel and being the found 1/2" pipe, tagged R.C.E. 23082, from which a 2" brass disk in monument well stamped C.S.S.C. as shown on said map bears South 34°07'06" East 75.00 feet; thence South 45°35'51" West 31.36 feet to a 1/2" iron pipe as shown as a 1/2" set iron pipe, tagged R.C.E. 23082 on previously said map; thence North 86°45'20" West (bearing shown on Record of Survey Monumentation Map, recorded in Book 822 of Maps, Page 49-57, Sonoma County Records) 205.40 feet to the POINT OF BEGINNING; thence leaving said North line, parallel with the Northeast line of said lands, North 46°25'20" West 333.82 feet; thence South 43°34'40" West 241.41 feet to the West line of said lands, as shown on Record of Survey Monumentation Map, recorded in Book 822 of Maps, Page 55, Sonoma County Records (said line is marked South 83°33'55" East 241.83 feet); thence along the West line of said lands, South 83°33'35" East 64.16 feet; thence continuing along said West line, North 81°32'20" East 57.10 feet; thence South 82°32'55" East 90.17 feet; thence South 67°17'32" East 61.13 feet; thence South 82°01'20" East 71.76 feet; thence South 0°17'27" West 10.88 feet, to the North line of Airport Boulevard; thence South 89°45'20" East 71.20 feet to the POINT OF BEGINNING.

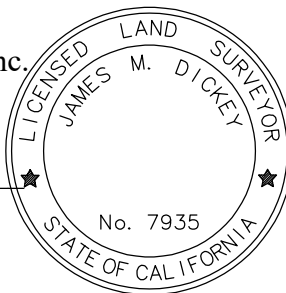
Containing 0.87 Acres more or less

END OF DESCRIPTION

Being a portion of APN 059-230-088

Prepared by Cinquini & Passarino, Inc.


Jim Dickey, PLS 7935



8/20/2025

Date

Building Exclusion Area

Lying within the State of California, County of Sonoma, Unincorporated Area, and being a portion of the lands of Sonoma County Agricultural Preservation and Open Space District, a Special District formed pursuant to the California Public Resources Code, as described in that Grant Deed recorded February 27, 1998 under Document Number 1998-0019034, Official Records of Sonoma County, said portion is more particularly described as follows:

Being situated in the Northwest 1/4 of Section 29, Township 8 North, Range 8 West, Mount Diablo Meridian:

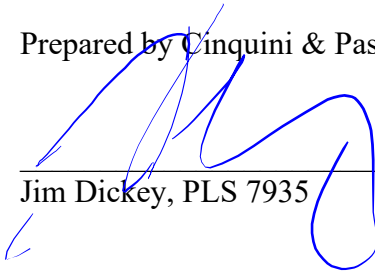
Beginning at a 1/2" iron pipe as shown on that certain Record of Survey Map, recorded in Book 381 of Maps, Page 4, Sonoma County Records, said point being in the most southeasterly corner of that certain 17.83 acre parcel and being the found 1/2" pipe, tagged R.C.E. 23082, from which a 2" brass disk in monument well stamped C.S.S.C. as shown on said map bears South 34°07'06" East 75.00 feet; thence from said POINT OF BEGINNING South 45°35'51" West 31.36 feet to a 1/2" iron pipe, tagged R.C.E. 23082 on previously said map; thence North 89°45'20" West (bearing shown on Record of Survey Monumentation Map, recorded in Book 822 of Maps, Page 49-57, Sonoma County Records) 205.40 feet; thence leaving said North line, parallel with the Northeast line of said lands, North 46°25'20" West 333.82 feet; thence North 43°34'40" East 172.11 feet; to the northeasterly line of that certain 17.83 acre parcel as shown on Record of Survey Map, recorded in Book 381 of Maps, Page 4, Sonoma County Records; thence South 46°25'20" East 484.32 feet to the POINT OF BEGINNING.

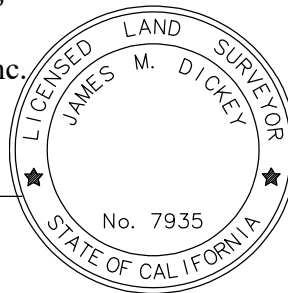
Containing 1.67 Acres more or less

END OF DESCRIPTION

Being a portion of APN 059-230-088

Prepared by Cinquini & Passarino, Inc.


Jim Dickey, PLS 7935



8/20/2025

Date

Exhibit C
Agricultural Conservation Covenant

RECORDING REQUESTED BY AND RETURN TO:

Clerk of the Board of Directors
Sonoma County Agricultural
Preservation and Open Space District
575 Administration Drive, Room 102A
Santa Rosa, CA 95403

Recorded by government agency - Exempt from recording fees per Gov. Code §§ 27383, 27388.1, 27388.2
Interest acquired by government agency - Exempt from documentary transfer tax per Rev. & Tax. Code § 11922

AGRICULTURAL CONSERVATION COVENANT

TIERRA VEGETABLES, INC.

Civil Code Sections 815 *et seq.* and 1471

THIS AGREEMENT is entered into by and between THE SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT, a public agency formed pursuant to the provisions of Public Resources Code section 5500 *et seq.* ("DISTRICT") and, TIERRA VEGETABLES, INC. A CALIFORNIA S CORPORATION ("OWNER").

RECITALS

A. The DISTRICT was formed to further the state policy on the preservation of open space expressed in Government Code section 65562 and to implement the Agriculture and Open Space Elements of the Sonoma County General Plan, amongst other purposes. The DISTRICT is funded by a voter-approved sales tax, which may be spent only in accordance with the Expenditure Plan approved by the voters in 2006 ("2006 Expenditure Plan").

B. Paragraph 3 of the 2006 Expenditure Plan authorizes expenditures to protect

working farms and ranches and other lands used for the production of food, fiber, and plant materials and the raising and maintaining of livestock and farm animals.

C. The DISTRICT's Board of Directors has found and declared that (1) the agricultural lands of the County of Sonoma contribute substantially to the local, state, national, and world food supply and are a vital part of the local and state economy; (2) the growing population and expanding economy of the County have had a profound impact on the ability of the public and private sectors to conserve land for the production of food and fiber, especially agricultural land around urban areas, (3) the challenge of maintaining agricultural land in agricultural use is compounded by local real estate market trends which see persistent high demand for working farms and ranches to be converted into rural residential homes and estates for non-farmers, (4) agricultural lands near urban areas that are maintained in productive agricultural use are a significant part of California's agricultural heritage. These lands contribute to the economic betterment of local areas and the entire state and are an important source of food, fiber, and other agricultural products; (5) keeping agricultural land in productive use protects the local food supply and the larger agricultural economy for the benefit of future generations.

D. OWNER is the owner in fee simple of that certain real property located in Sonoma County and more particularly described in Exhibit A, attached hereto and incorporated herein by this reference (the "Property"). The Property is located at 651 Airport Boulevard in unincorporated Sonoma County, California, and is identified as of the Effective Date as Assessor's Parcel Number [REDACTED].

E. In a companion transaction of even date, OWNER has conveyed a conservation easement to the DISTRICT generally limiting the use of the Property to agricultural, residential, and low-intensity outdoor recreation and educational uses consistent with identified conservation values (the "Conservation Easement"). The purpose of the DISTRICT's acquisition of the Conservation Easement is to protect and preserve the agricultural, natural resource, and scenic values of the Property. This Agricultural Conservation Covenant is intended to complement the Conservation Easement by assuring the continued and perpetual use of specified portions of the Property for agricultural production consistent with the terms of the Conservation Easement.

AGREEMENT

THEREFORE, in consideration of the foregoing recitations and of the mutual covenants, terms, conditions, and restrictions herein set forth and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, OWNER and DISTRICT agree as follows:

1. **Covenant.** OWNER hereby conveys to the DISTRICT an agricultural conservation covenant within the meaning of Restatement Third, Property (Servitudes) §1.6(1) and pursuant to the authority of Civil Code §§ 815 *et seq.*, and Civil Code § 1471 and the common law of California, (“Covenant”), to assure the continued and perpetual agricultural use of the Property in a manner consistent with the Conservation Easement and the provisions herein. In the event of a conflict between OWNER’s obligations under this Covenant and the restrictions established by the Conservation Easement, the Conservation Easement will take priority, to the extent of the conflict.

2. **Affirmative Rights Conveyed.** To accomplish the purposes of this Covenant, OWNER conveys the following rights and interests to DISTRICT:

a) To ensure Mandatory Agricultural Use (as defined in Paragraph 4 below) of the Property; and

b) To enter upon, inspect, observe, and study the Property from time-to-time, in its sole discretion, to determine if OWNER is in compliance with this Covenant.

3. **Obligation to Provide Agricultural Education and Outreach.** OWNER shall provide no fewer than four (4) public agricultural education events on the Property each year. Such events will include information about the agricultural operation of the Property, the DISTRICT’s role in protecting the Property, and the role of farming in local food systems. OWNER shall be responsible for planning the curriculum itself or through a partner qualified to provide agricultural education, such as an agricultural nonprofit, a resource conservation district, or an educator. OWNER shall be responsible for advertising the dates and times of each event and shall notify DISTRICT of such dates and times at least one (1) week prior to such events. DISTRICT shall have the right but not the obligation to advertise and/or attend such events. OWNER may host such events during regular business hours, such as during farmstand pick up hours, provided that all other requirements are satisfied.

4. **Obligation to Continue Agricultural Use.** OWNER agrees that it will carry out or otherwise ensure continued and ongoing Agricultural Use of the Property (as defined below) in accordance with the requirements set forth in Paragraph 4(a) through (f), inclusive (“Mandatory Agricultural

Use”). OWNER may engage one or more agricultural tenant(s) to carry out its Mandatory Agricultural Use obligations on the Property; however, regardless of whether OWNER engages any agricultural tenant, OWNER shall remain responsible for complying with all obligations of this Covenant, including the Mandatory Agricultural Use provisions of this Paragraph.

- a) Agricultural Use. OWNER agrees that, for purposes of determining compliance with the Mandatory Agricultural Use obligation, “Agricultural Use” of the Property means commercial-scale production of agricultural products as follows: (i) the breeding, raising, pasturing, and grazing of livestock of every nature and description for the production of food and fiber; (ii) the breeding and raising of bees, fish, poultry, and other fowl; and (iii) the planting, raising, harvesting, and production of agricultural, aquacultural, horticultural, and forestry crops and products of every nature and description. This requirement is not intended to preclude distribution of agricultural products free of charge, e.g. to charitable organizations. Other activities and uses that are related to agriculture, such as processing, compost generation, direct-marketing and sales, OWNER’s personal gardens, and pet animals will not count towards satisfaction of the Mandatory Agricultural Use obligations.
- b) Productive Capacity. OWNER shall maintain Agricultural Use of the Property on a scale reasonably commensurate with its capacity for commercial agricultural production, taking into account OWNER’s farming or ranching philosophy (such as Organic, biodynamic, or conventional), selected agricultural use(s), agricultural constraints of the Property (such as water availability, soils, and slope), and normal stocking rates or crop schedules in the surrounding area.
- c) Production Area. The “Production Area” is defined as the entire Property except the Building Envelope contemplated by the Conservation Easement. A map depicting the general location and extent of the Production Area and Building Envelopes is attached as Exhibit B (Agricultural Map), and incorporated herein by this reference. A more precise description of the Production Area is provided in Exhibit C (Description of Production Area), attached and incorporated by this reference.
- d) Minimum Acreage Requirement. OWNER shall maintain in Agricultural Use at least seventy-five percent (75%) of the Production Area, on average, calculated over a consecutive three-year period (“Minimum Acreage Requirement”). All areas actively used for and necessary for agricultural production, including but not limited to pastures and fields, crop beds, and the footprint of infrastructure such as tractor turn arounds, irrigation, feeding station, corrals, and water troughs, will be included in the agricultural footprint calculation. Any

portion of the Production Area not in Agricultural Use at any given time shall be managed in such a way as to maintain or enhance the agricultural and other Conservation Values of the Property (as defined by the Conservation Easement), for example by implementing soil health practices such as weed management, cover cropping, or strategic grazing.

- e) Obligation to Seek Tenant. If OWNER has determined it cannot, or does not wish to, continue directly carrying out the Mandatory Agricultural Use obligations established by this Covenant, OWNER shall in good faith promptly seek and retain a tenant who is a Qualified Operator (defined below) to fulfill these obligations on behalf of OWNER so that OWNER, either directly or through its tenant(s), is diligently and continuously fulfilling the Mandatory Agricultural Use obligations on the Property in perpetuity. OWNER shall promptly use all available means, including, without limitation, advertising, requests for proposals, and consultation with established local farmers and farm service organizations to obtain a Qualified Operator or Operators to carry out Agricultural Use on the Property.
 - i. *Qualified Operator.* A “Qualified Operator” is a farmer or rancher with sufficient knowledge, experience, and financial resources to carry on commercially viable agricultural production on the Property in accordance with this Covenant. A Qualified Operator does not need to be an individual acting in their personal capacity, and may include a corporation or non-profit demonstrating sufficient organizational knowledge, experience, and financial resources to carry on commercially viable agricultural production on the Property in accordance with this Covenant.
 - ii. *Lease Requirements.*
 - A. Prior to executing any lease, OWNER shall make a copy of the proposed lease available to the DISTRICT for its review and approval, which approval shall not be unreasonably withheld. Agricultural tenant(s), individually or collectively, shall be allowed such use of the Property as is contemplated by the approved lease in order to fulfill the obligations of this Covenant.
 - B. Each lease shall (a) have a duration sufficiently long (a minimum of five (5) years) to enable the agricultural tenant to make the financial commitments and investments needed for successful agricultural production on the Property, and (b) provide for a fair and reasonable rental rate at or below the then-prevailing rate for comparable farms and ranches in Sonoma

County.

- C. Any agriculture production lease entered into by OWNER with its selected agricultural tenant(s) shall be subject to the terms of this Covenant and the Conservation Easement, including but not limited to Section 11(d) thereof.

5. Agricultural Worker Housing. Except as provided by subsections (a) and (c) of this paragraph, residential structures on the Property may be occupied only by individuals employed on a full-time basis to support the agricultural operation on the Property, including owner-operators (“Farmworkers”), and their immediate family members or domestic partner. Residential use by any other party, including an individual with an ownership interest in the Property who is not engaged full-time in the agricultural operation on the Property, is prohibited.

- a) Death of a Farmworker. For the purposes of this Covenant, the Farmworker and their immediate family members or domestic partner may continue to live on the Property for a period of one year from the date of death or permanent disability of the Farmworker.
- b) Unoccupied Farmworker Residence. If a residential structure ceases to be occupied by Farmworkers, OWNER shall submit to DISTRICT a letter certifying the same within thirty (30) days, noting the date on which the housing ceased to be occupied. The certification shall be submitted to the DISTRICT annually following the vacancy of the structure. The certification shall attest under penalty of perjury that the farmworker housing is not occupied by any person.
- c) Farmworkers Employed Off-site. In its sole discretion, DISTRICT may permit OWNER to use residential structures on the Property to house individuals who are farm laborers at other locations in Sonoma County.

6. Exceptions.

a) Soil Health Periods. With prior approval from DISTRICT, OWNER may be temporarily excused from performance of the Minimum Acreage Requirement (see Paragraph 4(d)), by taking more than twenty-five percent (25%) of the Production Area out of production for a reasonable, specified period of time (a “Soil Health Period”) as part of a plan designed to improve the soil health, agricultural productivity, ecosystem services, and/or carbon sequestering capacity of the Property based on best available soil science information (“Soil Health Period Plan”). The Soil Health Period Plan will describe goals and objectives for improvement of the Production Area, the activities and treatments (including fallow periods) to be implemented, locations of treatments, timelines, and a

description of how agricultural production will resume after the period ends. The Soil Health Period Plan shall be submitted to the DISTRICT and receive DISTRICT approval prior to taking such land out of agricultural use.

b) Hardship Deferrals. If, due to age, disability, infirmity, or other similar personal hardship, OWNER cannot carry out the Mandatory Agricultural Use obligations in accordance with Paragraph 4, OWNER may request from DISTRICT a temporary excuse from performance (“Hardship Deferral”). Such request for Hardship Deferral will include the reason the OWNER is unable to continue Agricultural Use of the Property; the acreage to be taken out of production; and plans for property maintenance, including fencing and infrastructure maintenance, soil health maintenance, and appropriate weed management. A Hardship Deferral, if approved by DISTRICT, will last no longer than three (3) years from the date of DISTRICT’s approval and shall not be renewable. No Hardship Deferral will be effective until approved by DISTRICT. Upon or before the expiration of the Hardship Deferral, OWNER shall resume full compliance with Mandatory Agricultural Use requirements and OWNER shall provide written notice to DISTRICT confirming the same.

c) Obligation to Secure a Qualified Agricultural Operator as Tenant. If OWNER and the DISTRICT are unable to develop mutually agreeable terms for a Hardship Deferral within a reasonable time (not to exceed two [2] months), then OWNER shall in good faith promptly seek and enter into a lease with a Qualified Operator pursuant to Paragraph 4(e) to fulfill these obligations on behalf of OWNER.

7. **Reporting.** OWNER shall provide to DISTRICT by December 31 of each year a written description summarizing how it has complied with the Mandatory Agricultural Use obligations of this Covenant. Such communication must be sufficiently detailed to allow DISTRICT to determine whether OWNER’s operation of the Property complies with this Covenant and may include, for example, photos, maps, crop schedules, grazing rotation schedules, and detailed written descriptions.

8. **Record keeping.** OWNER shall keep sufficiently detailed records of agricultural uses and leases to enable DISTRICT to reasonably determine compliance with the terms of this Covenant. OWNER shall maintain these records for no less than five (5) years and make them available to DISTRICT upon request.

9. **Approvals.**

a) Approval Procedures. This Covenant may require the prior approval of DISTRICT for

certain uses of the Property or for a forbearance; e.g. Soil Health Periods or Hardship Deferrals. Failure by OWNER to secure such approvals shall not operate to relieve OWNER of the obligations of this Covenant, and DISTRICT's failure to enforce this approval process from time to time shall not operate as a waiver or release of DISTRICT's rights to demand strict compliance, both procedurally and substantively, with this Covenant's prior approval requirements. OWNER shall use the procedures set forth below to obtain DISTRICT's approvals, where required. All requests for approval shall be in writing and shall include all information necessary to permit DISTRICT to make an informed judgment as to the consistency of OWNER's request with the terms of this Covenant and the Conservation Easement. DISTRICT may request and OWNER shall provide such additional or supplemental information as DISTRICT deems necessary to evaluate any request for approval.

b) Uses/Activities Requiring Prior Approval from DISTRICT. For any activity, use, or excuse from performance that requires prior approval from DISTRICT, OWNER shall file a written request for such approval ("OWNER's Request") at least forty-five (45) days prior to the intended commencement of such activity, use, or suspension thereof, or in the case of leases, prior to the intended effective date of such lease. DISTRICT shall have forty-five (45) days from the receipt of a complete request for approval to review the request and to approve, conditionally approve, disapprove, or notify OWNER of any objection thereto. Disapproval or objection, if any, shall be based on DISTRICT's determination that OWNER's Request is inconsistent with this Covenant or the terms, conditions, or Conservation Purpose of the Conservation Easement, or that OWNER's Request is incomplete or contains material inaccuracies. If, in DISTRICT's judgment, the OWNER's Request would not be consistent with this Covenant or the Conservation Easement, or the request is incomplete or contains material inaccuracies, DISTRICT's notice to OWNER shall inform OWNER of the reasons for DISTRICT's disapproval or objection. Only upon DISTRICT's written approval may OWNER's requested plan, activity, or use be commenced, or lease executed, and then only in accordance with the terms and conditions of DISTRICT's approval.

10. Notices.

a) Method of Delivery. Except as otherwise expressly provided herein, all notices, (including requests, demands, approvals, or communications) under this Covenant shall be in writing and either served personally or sent by first class mail, postage prepaid, private courier or delivery service or telecopy addressed as follows:

To OWNER: Tierra Vegetables, Inc.
220 Pleasant Avenue
Santa Rosa, CA 95403

To DISTRICT: General Manager
Sonoma County Agricultural Preservation and Open
Space District
747 Mendocino Avenue, Suite 100
Santa Rosa, CA 95401

Or to such other address as such party from time-to-time may designate by written notice pursuant to this Paragraph 10.

b) Effective Date of Notice. Notice shall be deemed given for all purposes as follows:

- i. When mailed first class postage prepaid to the last address designated by the recipient pursuant to Paragraph 10 (a), notice is effective one business day following the date shown on the postmark of the envelope in which such notice is mailed or, in the event the postmark is not shown or available, then one business day following the date of mailing.
- ii. When sent by fax to the last fax number of the recipient known to the party giving notice, notice is effective on receipt as long as (i) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery or (ii) the receiving party delivers a written confirmation of receipt. Subject to the foregoing requirements, any notice given by fax shall be considered to have been received on the next business day if it is received after 5 p.m. (recipient's time) or on a non-business day.
- iii. In all other instances, notice shall be deemed given at the time of actual delivery.

c) Refused or Undeliverable Notices. Any correctly addressed notice that is refused or undeliverable because of an act or omission of the party to be notified shall be considered to be effective as of the first date that the notice was refused or considered undeliverable by the postal authorities, messenger, or overnight delivery service.

11. Enforcement.

a) Notice of Violation. If DISTRICT determines through audit, on-site monitoring, remote observation, or other reasonable investigative measures that OWNER has not met the Mandatory Agricultural Use requirements of Paragraph 4 or the public educational events requirements of Paragraph 3, (a “Violation”), DISTRICT shall provide OWNER a written notice identifying the Violation (“Notice of Violation”), and DISTRICT may record such Notice of Violation in the Office of the Sonoma County Recorder. DISTRICT’s Notice of Violation shall specify a reasonable cure period. If OWNER fails to diligently pursue correction of the Violation during the cure period or the Violation remains uncured at the end of the applicable cure period, DISTRICT may exercise all available legal remedies to enforce the violation of this Covenant.

b) Mediation. If a dispute arises out of or relates to this Covenant, or an alleged breach thereof, and if the dispute cannot be settled through negotiation, before resorting to litigation, the DISTRICT, OWNER and, if applicable, any tenant on the Property with an interest in the dispute, shall first try in good faith to settle the dispute by mediation. If the parties cannot agree on a mediator or mediation rules to use, the parties shall use the American Arbitration Rules & Procedures most applicable to the subject matter of the dispute, or such similar rules as may be adopted by a successor organization to the American Arbitration Association, with the following stipulations:

- i. The mediation shall be conducted in Santa Rosa, California.
- ii. Unless otherwise agreed to in writing by the parties participating in the mediation, the mediation shall be concluded no later than sixty (60) days after the first mediation session. If the dispute has not been resolved at that time, any party may elect at that time to pursue litigation.
- iii. The parties agree to exchange all relevant non-privileged documents at least ten (10) days before the first scheduled mediation session.

c) DISTRICT’s Rights to Lease the Property. If OWNER has failed to cure the Violation then, following the expiration of the cure period specified in DISTRICT’s Notice of Violation or at such earlier time if OWNER has failed to diligently pursue correction of the Violation, , DISTRICT has the right, but not the obligation, to do any or all of the following upon written notice to OWNER:

- i. Enter on the Property and restore, prepare and/or maintain the Property for future Agricultural Uses. DISTRICT shall have the right to obtain reimbursement

from OWNER for the costs associated with the implementation of such restoration, preparation, and maintenance.

- ii. Unilaterally invoke the lease attached hereto as Exhibit DC and incorporated herein by this reference (“District Lease”) for a term of not less than five (5) years to restore, prepare and/or maintain the Property for future Agricultural Uses, to conduct Agricultural Uses itself, and/or to assign the Lease or sublease the Property to a Qualified Operator pursuant to the terms of the District Lease. DISTRICT’s activities on the Property shall be consistent with the District Lease and the Conservation Easement. DISTRICT shall have the right to deduct from the rent owed under the District Lease any costs associated with the implementation of any restoration, preparation, and maintenance of the Property for future Agricultural Uses and/or any costs incurred by a lessee related to any assignment or sublease of the District Lease to a Qualified Operator.
- iii. No Lease with an agricultural tenant, whether entered into by OWNER or by DISTRICT, shall relieve OWNER from the obligations of this Covenant and OWNER shall remain jointly and severally liable with any agricultural tenant for any failure to continuously and diligently satisfy the Mandatory Agricultural Use requirements herein specified.

d) Equitable Remedies. The parties agree that DISTRICT’s remedies at law for any violation of OWNER’s commitment to conduct Agricultural Uses on the Property as required by this Covenant are inadequate, and DISTRICT shall be entitled to specific performance of the commitment to conduct such use as required by this Covenant without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. This right is in addition to the right to injunctive relief, both prohibitive and mandatory, and such other relief to which DISTRICT may be entitled. DISTRICT’s remedies described in this Paragraph shall be cumulative and shall be in addition to any other remedies provided in this Covenant as well as in addition to all remedies now or hereafter existing at law or in equity.

12. Miscellaneous.

a) Acts Beyond OWNER’s Control. Nothing contained in this Covenant shall be construed to entitle DISTRICT to bring any action against OWNER for any failure to conduct Mandatory Agricultural Use arising out of conditions beyond OWNER’s control, including, but not limited to, wildfire, flood, storm, earth movement, extreme drought, a well running dry, or tortious

or criminal acts of third parties which OWNER could not have reasonably prevented, nor shall this Covenant be deemed violated by OWNER where prudent action is taken by OWNER under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes, so long as such action, to the extent that OWNER has control, is designed and carried out in such a way as to minimize conflict with this Covenant and the Conservation Easement. Notwithstanding the foregoing, OWNER shall be liable to DISTRICT for failure to conduct Mandatory Agricultural Use when such lack of performance is the result of acts or omissions of third parties whose use of or presence on the Property is authorized or requested by OWNER. In the event that OWNER's ability to conduct Mandatory Agricultural Use on the Property is impaired as a result of the acts or omissions of third parties, OWNER shall diligently pursue all available legal remedies against such parties to ensure it can recommence Agricultural Use in conformity with this Agreement. Nothing contained herein shall limit or preclude OWNER's or DISTRICT's rights to pursue any third party for damages to the Property's Conservation Values. The parties expressly agree that OWNER's age, illness, or economic hardship shall not constitute a condition beyond the OWNER's control for purposes of this Paragraph.

b) Termination. OWNER and all successor OWNER(S), whether by purchase of the Property or any interest in the Property or otherwise, recognize that the affirmative obligations of this Covenant were bargained and paid for and are entirely consistent with the public interest. If OWNER asserts that some or all of the affirmative obligations of this Covenant are illegal or unenforceable under applicable law, then the rights and duties of the DISTRICT and OWNER shall be as follows: the assertion of illegality or unenforceability shall be of no effect, and the provisions requiring Mandatory Agricultural Use shall continue in full force and effect, unless and until a court of competent jurisdiction enters a final non-appealable judgment determining that that assertion is correct and therefore enters a judgment determining that some or all of the provisions requiring Mandatory Agricultural Use set forth in this Covenant are illegal or unenforceable under applicable law. In any such proceeding, the provisions of this Covenant as to severability set forth below in Paragraph 12(c) shall apply. If, even after application of such severability provisions, the requirement for Mandatory Agricultural Use of the Property is materially impaired by the court's determination, then upon entry of that final judgment, OWNER shall be obligated to repay to the DISTRICT the full value of this Covenant at the Effective Date of this Covenant (the "Repayment Principal") together with interest at the same rate as that specified in California Code of Civil Procedure section 685.010 from the Effective Date of this Covenant to the date of repayment of the Repayment Principal. OWNER and the DISTRICT agree that the value of the Covenant at its effective date, as established by an appraisal conducted by Wayne Harding and dated March 10, 2025 was Two Hundred Sixty Thousand Dollars (\$260,000.00).

c) Severability. If any provision of this Covenant, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this Covenant, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.

d) Sales; Leasing; Approval of District; Assignment of Possessory Interests. OWNER may sell or lease the Property subject to the limitations in this Section 12 and Section 4(e). OWNER shall give notice to DISTRICT of the conveyance of any interest in the Property at least forty-five (45) days prior to the date of such conveyance. Prior to the completion of any transfer of the Property, OWNER shall disclose the existence of this Covenant and the Conservation Easement to the prospective buyer. No lease or other transfer of a possessory interest in the Property shall constitute an assignment of rights or duties created by this Covenant nor shall it constitute a novation. Any lease or transfer of any possessory interest in the Property will be in writing, shall acknowledge this Covenant and the Conservation Easement, and be subject to all terms of this Covenant and the Conservation Easement. A failure to comply with these requirements is a material breach of this Covenant subject to remedies set forth in Section 11.

e) Third Party Beneficiaries. DISTRICT and OWNER do not intend and this Covenant shall not be construed to create any rights in third parties.

f) Integration. This Covenant is the final and complete expression of the agreement between the parties with respect to the subject matter herein, and any and all prior or contemporaneous agreements written or oral are merged into this written instrument, except for the Conservation Easement, which shall remain in full force and effect.

g) Covenant to Bind Successors. This Covenant shall be a burden upon and shall continue as a covenant and equitable servitude running in perpetuity with the Property and shall bind OWNER and its successors in interest, including but not limited to purchasers at tax sales, assigns, and all persons claiming under them forever. The parties intend that this Covenant shall benefit and burden, as the case may be, their respective successors, assigns, heirs, executors, administrators, agents, officers, employees, and all other persons claiming by or through them pursuant to the common and statutory law of the State of California. Further, the parties agree and intend that this Covenant creates an easement encompassed within the meaning of the phrase "easements constituting servitudes upon or burdens to the property," such that a purchaser at a tax sale will take title to the Property subject to this Covenant.

h) Counterparts. This Covenant may be signed in multiple counterparts, each of which

constitutes an original, and all of which, collectively, constitute only one agreement.

i) Effective Date. This Covenant shall be effective as of the date of its recordation in the Office of the Sonoma County Recorder ("Effective Date").

(Signatures on next page)

IN WITNESS WHEREOF, OWNER and DISTRICT have executed this Covenant this _____ day
of _____, 20__.

OWNER:

TIERRA VEGETABLES, INC.

By: _____

Wayne James, [Corporate or partnership representation of authority to sign]

DISTRICT:

SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT

By: _____

NAME, President of the Board of Directors

ATTEST:

Noelle Francis, Deputy Clerk of the Board of Directors

Exhibits

Exhibit A: Legal Description

Exhibit B: Agricultural Map

Exhibit C: Description of Agricultural Area

Exhibit D: District Lease

[ACKNOWLEDGEMENTS]

EXHIBIT A Legal Description

For APN/Parcel ID(s): 059-230-040-000 (Old) 059-230-089-000 (New) and 059-230-074-000 (Old)
059-230-088-000 (New)

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA IN COUNTY OF SONOMA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Being situated in the Northwest 1/4 of Section 29, Township 8 North, Range 8 West, Mount Diablo Meridian:

Commencing at a found 1/2" iron pipe as shown on that certain Record of Survey Map, entitled, "Record of Survey in Section 29, etc.", recorded in [Book 60 of Maps, Page 6](#), Sonoma County Records, said pipe lies on the East line of that certain 1.47 acre parcel, being the lands of Frank and Anna Johnson, and is North 300.0 feet from the Southeast corner thereof; thence from said point of commencement East 19.8 feet to a found 1/2" iron pipe on the South line of mark West Station Road; thence South 300.00 feet to set 1/2" iron pipe and tag, being the true point of beginning for the parcel to be herein described and also the most Southwesterly corner of the lands conveyed to the mark West Neighborhood Church, as said conveyance is [recorded in Book 1510 of Official Records, Page 365](#), Sonoma County Records; thence from said true point of beginning, South 515.46 feet to a found 1/2" iron pipe as referred to in that certain Grant Deed from John A. Esposti, et ux., and Michael J. Debonis, et ux., to the State of California and [recorded in Book 1642 of Official Records, Page 323](#), Sonoma County Records; thence North 89° 57' 30" East, 185.90 feet (State Deed 186.02) to a found 1/2" iron pipe, also referred to in said Deed; thence South 57.05 feet to a 1/2" iron pipe and tag set for the most Northwesterly corner of that certain 1.357 acre tract as described in Deed from Sonoma County Land Title Company to the State of California and [recorded in Book 1722 of Official Records, Page 459](#), Sonoma County Records; thence along the Northeasterly line of said 1.357 acre Parcel, from a tangent that bears South 75° 25' 17" East (all State Deed bearings shown hereafter rotated 39° 57') along a curve to the right with a radius of 450.00 feet, through an angle of 29° 36' 33" an arc length of 232.55 feet; thence South 45° 48' 44" East, 198.08 feet; thence along a curve to the left with a radius of 350.00 feet, through an angle of 23° 49' 38" an arc length of 145.55 feet; thence South 69° 38' 22" East, 75.85 feet; thence South 0° 22' 30" East, 12.00 feet to the Northerly line of Lone Redwood Road (60 feet wide); thence along said Northerly line of Lone Redwood Road (60 feet wide); thence along said Northerly line, North 89° 37' 30" East, 797.36 feet to a point in the center of Fulton Road; thence along the center of Fulton Road North 0° 00' 51" West, 1012.56 feet to a point (from which a set 1/2" iron pipe and tag bears North 89° 57' 39" West, 24.06 feet); thence leaving said Road, North 89° 57' 39" West, 1023.80 feet to a set 1/2" iron pipe and tag; thence North 20.00 feet to a set 1/2" iron pipe and tag; thence North 89° 57' 39" West, 220.00 feet to a found 1/2" iron pipe and tag (L.S. 2756); thence North 175.00 feet to a found 1/2" iron pipe and tag (L.S. 2756); thence on a curve to the right with a radius of 25.00 feet for a distance of 39.27 feet to a found 1/2" iron pipe and tag (L.S. 1286) said found iron pipe being a point on the South line of Mark West Station Road, as described in Deed to the County of Sonoma and [recorded in Book 1571 of Official Records, Page 589](#), Sonoma County Records; thence along the Southerly edge of said road, North 89° 57' 39" West, 100.00 feet to a set 1/2" iron pipe and tag; thence on a curve to the right with a radius of 25.00 feet, from a tangent which bears South 89° 57' 39" East, for a distance of 39.27 feet to a set 1/2" iron pipe and tag; thence South 275.00 feet to a set 1/2" iron pipe and tag; thence North 89° 57' 39" West, 225.00 feet to the point of beginning, basis of bearings; centerline Lone-Redwood Road by found monuments course North 89° 37' 30" East, all tags mentioned herein and not otherwise identified bear the inscription "R.S. Hogan, L.S. 2798".

Excepting therefrom, the following described property:

Being a portion of the lands of utilities and Industries Corporation, as [recorded in Book 1891 of Official Records, Page 597](#), and being more particularly described as follows:

Beginning at a 1/2" iron pipe monument found on the dividing line of the said lands of utilities and Industries Corporation and the lands of Kenneth G. and Joan Lucille Lawson, as [recorded in Book 2512 of Official Records, Page 608](#), from which Engineer's Station 30+07.31 P.O.T. as shown on a Map entitled "Fulton Road", dated January 1977, and on File in the Office of the Sonoma County Department of public works, bears South 89° 19' 39" East, 22.49 feet; thence from said point of beginning and along said dividing line, North 89° 19' 39" West,

EXHIBIT "A"
Legal Description
(continued)

12.51 feet to a point from which a 1/2" iron pipe monument found in the North line of the said lands of utilities and Industries Corporation, bears North 89° 19' 39" West, 987.46 feet; thence leaving said dividing line, South 0° 36' 56" West, 7.03 feet to a point from which Engineer's Station 30+00 28 E.C. bears South 89° 23' 04" East, 35.00 feet; thence curving to the right with a radius of 4965 feet, through an angle of 2° 47' 34" for a distance of 242.01 feet to a point from which Engineer's Station 27+56.55 P.R.C. bears South 86° 35' 30" West 35.00 feet; thence curving to the left from a tangent which bears South 3° 24' 30" West, with a radius of 5035 feet through an angle of 2° 33' 46" for a distance of 225.21 feet to a point from which Engineer's Station 25+32.91 B.C. Bears South 39° 09' 16" East, 35.00 feet; thence South 0° 50' 44" West, 513 feet, more or less; thence curving to the right with a radius of 25 feet to a point on the South line of the said lands of utilities and Industries Corporation; thence along said South line in an Easterly direction to the Southeast corner of the said lands of utilities and Industries Corporation; thence along the East line of the said lands of utilities and Industries Corporation in a Northerly direction to the Northeast corner of the said lands of utilities and Industries Corporation; thence along the said North line of the said lands of utilities and Industries Corporation, North 89° 19' 39" West, to the point of beginning.

Basis of bearing: Bearing between monuments S-111 and S-112, as shown on a Map entitled, "California State Highway Monument Map", Page S-141.8 and on File in the Sonoma County Department of Public Works.

Further Excepting Therefrom, All the lands as shown on that certain Map entitled, Larkfield Meadows Subdivision, filed for record August 8, 1985, in [Book 375 of Maps, at Pages 6](#) through 9, inclusive, Sonoma County Records.

Further Excepting Therefrom, The lands conveyed to the County of Sonoma in the Deed recorded August 20, 1985, under Recorder's Serial #85-54642, Sonoma County Records.

Further Excepting Therefrom, That portion conveyed to the County of Sonoma in the Deed recorded September 12, 2014, [Instrument No. 2014-64155](#), Sonoma County Records.

Further Excepting Therefrom, That portion conveyed to the State of California in the Deed recorded September 17, 2014, [Instrument No. 2014-65284, of Official Records](#).

Exhibit B Agricultural Map

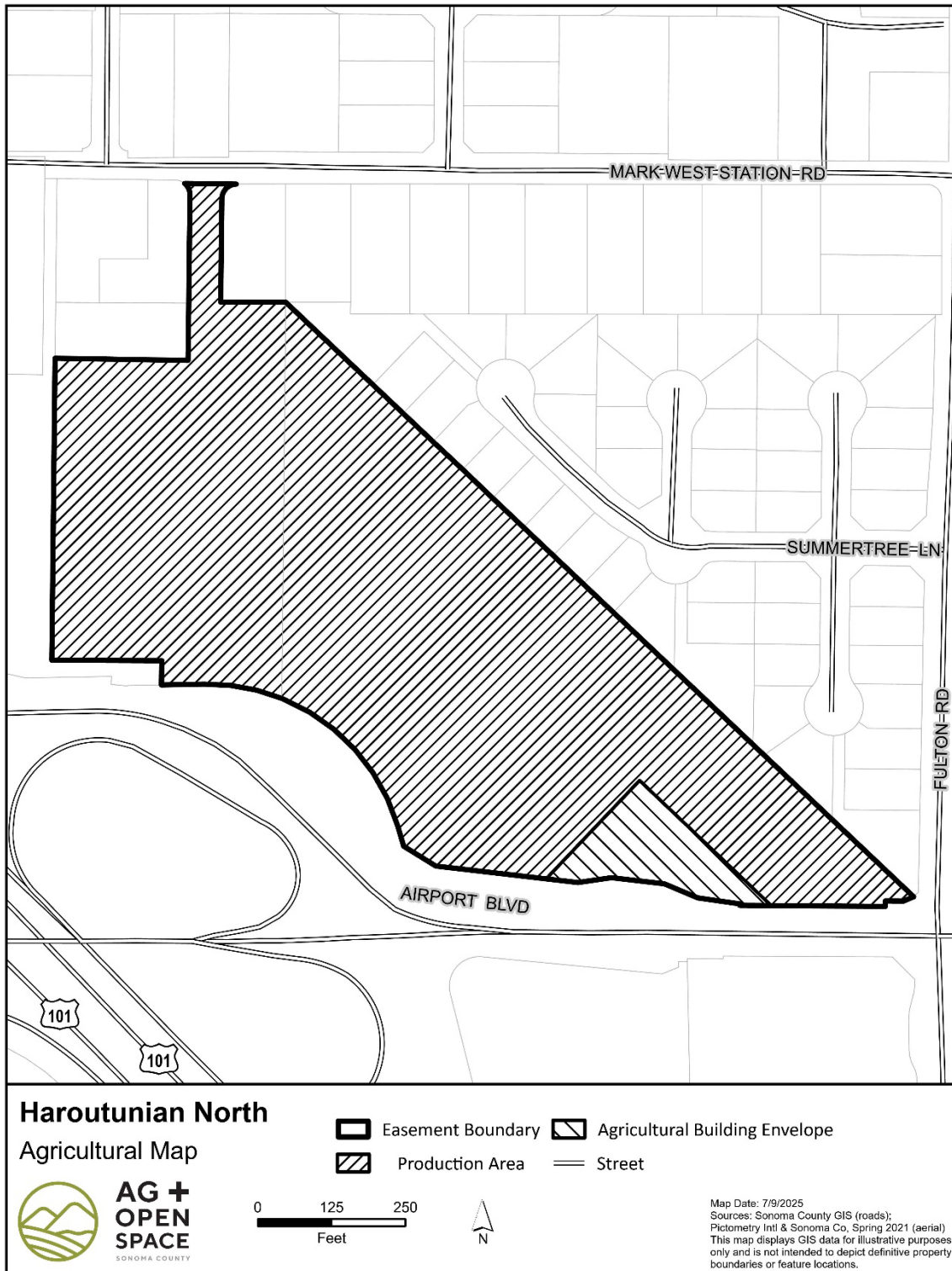


Exhibit C

Description of Production Area

Lying within the State of California, County of Sonoma, Unincorporated Area, and being a portion of the lands of Sonoma County Agricultural Preservation and Open Space District, a Special District formed pursuant to the California Public Resources Code, as described in that Grant Deed recorded February 27, 1998 under Document Number 1998-0019034, Official Records of Sonoma County, said portion is more particularly described as follows:

Being situated in the Northwest 1/4 of Section 29, Township 8 North, Range 8 West, Mount Diablo Meridian:

Beginning at a 1/2" iron pipe as shown on that certain Record of Survey Map, recorded in Book 381 of Maps, Page 4, Sonoma County Records, said point being in the most southeasterly corner of that certain 17.83 acre parcel and being the found 1/2" pipe, tagged R.C.E. 23082, from which a 2" brass disk in monument well stamped C.S.S.C. as shown on said map bears South 34°07'06" East 75.00 feet; thence from said POINT OF BEGINNING, South 45°35'51" West 31.36 feet to a 1/2" iron pipe as shown as a 1/2" set iron pipe, tagged R.C.E. 23082 on previously said map; thence North 89°45'20" West (bearing shown on Record of Survey Monumentation Map, recorded in Book 822 of Maps, Page 49-57, Sonoma County Records) 205.40 feet; thence leaving said North line, parallel with the Northeast line of said lands, North 46°25'20" West 333.82 feet; thence South 43°34'40" West 241.41 feet to the West line of said lands, as shown on Record Of Survey Monumentation Map, recorded in Book 822 of Maps, Page 55, Sonoma County Records (said line is marked South 83°33'55" East 241.83 feet); thence along the West line of said lands, North 83°33'35" West 177.67 feet; thence North 58°30'42" West 63.90 feet; thence North 16°33'53" West 36.00 feet; thence along a curve to the left with a radius of 334.00 feet with a delta of 74°38'01" and a length of 435.07 feet; thence North 88°48'07" East 66.23 feet to the West line of said lands; thence along the West line of said lands, North 0°44'19" East 42.21 feet; thence North 89°45'41" West 186.01 feet; thence North 0°36'43" East 515.27 feet; thence South 89°20'25" East 225.05 feet; thence North 0°44'40" East 97.08 feet; thence North 0°37'40" East 178.15 feet; thence along a curve to the left with a radius of 25.00 feet, with a delta of 89°56'51", and a length of 39.25 feet, to the South line of Mark West Station Road; thence along said South line, South 89°19'11" East 100.00 feet to a point of cusp; thence leaving said South line and along the easterly line of said lands, along a non-tangent curve with a radial bearing of South 0°40'48" West, a radius of 25.00 feet, delta angle 90°03'08" and a length of 39.29 feet; thence South 0°37'40" West 174.95 feet; thence South 89°18'12" East 110.06 feet; thence South 46°25'20" East 1470.01 feet to the POINT OF BEGINNING.

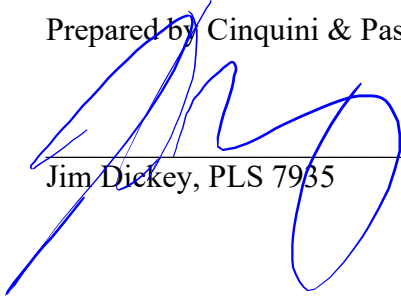
Containing 15.51 Acres more or less

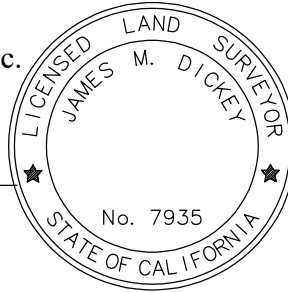
END OF DESCRIPTION

Exhibit C
Description of Production Area

Being a portion of APNs 059-230-088 & 059-230-089

Prepared by Cinquini & Passarino, Inc.


Jim Dickey, PLS 7935



8/20/2025

Date

EXHIBIT D
District Lease

AGRICULTURAL LEASE

**OFFERED TO THE SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT
PURSUANT TO PARAGRAPH 11 OF THE FOREGOING AGRICULTURAL COVENANT**

WHEREAS, this Lease is attached to and made a part of the Affirmative Agricultural Covenant (“Covenant”) first entered into by and between Tierra Vegetables, Inc. a California S Corporation and the Sonoma County Agricultural Preservation and Open Space District, a special District formed pursuant to the California Public Resources Code (“Lessee”); and

WHEREAS, Lessor is the Owner of the Property subject to the Covenant, which ownership may change from time to time. This Lease, like the Covenant of which it is a part, shall run with the land; and

WHEREAS, Lessee is the Sonoma County Agricultural Preservation and Open Space District, which holds a conservation easement (“Conservation Easement”) on the Property. This Conservation Easement was recorded on the same date as the Covenant in the official records of Sonoma County; and

WHEREAS, in the Covenant, Lessor, as owner of the Property on behalf of itself and all successors in interest to the Property, covenanted and agreed that, if Lessor failed, for any reason, to keep the Property in active agricultural production, and Lessor did not timely secure forbearance from Lessee or enter into an agricultural lease with a Qualified Operator to the terms of the Covenant, Lessee had the right to unilaterally invoke this Lease pursuant to the terms hereof as well as to assign this Lease or sublet all or a portion of the Property, at Lessee’s sole discretion, to any Qualified Operator, as determined by Lessee, who agrees to conduct Agricultural Uses (as that terms is defined in Paragraph 4 of the Covenant) on the Property in compliance with the Conservation Easement and all applicable laws and ordinances; and

WHEREAS, Lessor has ceased active agricultural operations on the Property for an unexcused period, and Lessee has notified Lessor that Lessee intends to invoke this Lease pursuant to the terms of the Covenant.

NOW, THEREFORE, for and in consideration of their mutual covenants, agreements, and undertakings hereinafter set forth, Lessor and Lessee agree as follows:

1. Lease. Lessor and Lessee agree that this Lease will be deemed fully effective and valid on the date that Lessor receives Lessee's written notification that the circumstances upon which Lessee is entitled to invoke this Lease have occurred and that Lessee intends to invoke this Lease ("Lessee's Notice of Intent to Lease"); provided that, during the Term (as defined below) of this Lease, Lessee shall not use the Property or any part thereof for any purpose other than the purpose(s) stated in this Lease or in violation of the Conservation Easement or any applicable law or ordinance. In Lessee's Notice of Intent to Lease, Lessee shall provide the Annual Fair Market Value of this Lease (as defined and further described in Section 3 below) and all data and information that Lessee relied upon to calculate same. Lessee shall have the right, but not the obligation, to lease the entire Property, including all structures and improvements. Lessee's Notice of Intent to Lease shall indicate which portions of the Property shall be subject to this leasehold.
2. Term. The term of this Lease shall commence on the date of Lessor's receipt of Lessee's Notice of Intent to Lease ("Effective Date"), regardless of the date of Lessee's actual entry, and shall run for a period of five (5) consecutive years ("Initial Term"). Said Lease shall renew automatically at the end of each five (5)-year term for an additional five (5) years so long as Lessee is in full compliance with all of the covenants and conditions contained in this Lease, unless (i) Lessee notifies Lessor of Lessee's intent to terminate this Lease, which notice must be given in writing not less than ninety (90) days prior to date of termination of any existing term or (ii) Lessor notifies Lessee of Lessor's intent to terminate this Lease, which notice must be given in writing not less than ninety (90) days prior to date of termination of any existing term and provided that Lessor may only so terminate if Lessor intends to conduct, and within three (3) months of said termination actually commences conducting, Agricultural Use on the Property in compliance with the Covenant and all applicable laws and ordinances and the terms and conditions of the Conservation Easement.

The Initial Term and any succeeding five-year term complying with the terms of this section shall be referred to herein as the "Term" of this Lease.

3. Lease Payment. Lessee agrees to pay annually as rent the sum equal to the "Annual Fair Market Value" of this Lease as of the Effective Date. The Annual Fair Market Value of this

Lease shall be determined according to an appraisal or, if possible, the following method: (i) Lessee shall compile annual rental rates of three (3) agricultural leases currently in effect from the nearest comparable agricultural operations to the Property; (ii) those rental rates shall be divided by the respective number of acres subject to such other agricultural leases, which will produce a per-acre rate for each lease; those three per-acre rental rates shall be averaged and rounded to the nearest whole dollar; and (iv) such average shall be multiplied by the number of acres subject to this Lease, thereby producing the Annual Fair Market Value of this Lease. This Annual Fair Market Value may not be disputed by Lessor so long as Lessee has satisfied the terms of this section.

- a. For illustrative purposes only, if the number of acres subject to this Lease is 100, and Lessee compiles the following annual rental rates for the leases on the three nearest comparable farming operations then in effect, the Annual Fair Market Value of this Lease would be \$12,800/year, calculated as follows:

Farm A: \$4,200 (40 acres): \$105/acre

Farm B: \$5,000 (50 acres): \$100/acre

Farm C: \$3,600 (20 acres): \$180/acre

*Average: \$128/acre * 100 acres = \$12,800/year = Annual Fair Market Value*

The Annual Fair Market Value shall be paid by Lessee either (I) on an annual basis on or before the first day of each year of the Term; or (II) on a monthly basis on or before the first day of each month of the Term (with the first month's rent of the Initial Term and last month's rent of any unextended Term to be prorated based on a 30-day month). The Annual Fair Market Value shall be adjusted every five (5) years according to the method provided in this section. Any other payment arrangement shall require the prior written approval of Lessee and Lessor. Upon assignment of this Lease or sublease of the Property as provided in Section 4 below, Lessee shall keep records of all expenses related to such assignment or subleasing and may deduct those expenses from the annual rent payment.

4. Assignment/Sublease. Lessee may freely assign this Lease or sublet all or a portion of the Property to a Qualified Operator at any time during the Term without any prior notice to or consent of Lessor and in Lessee's sole and absolute discretion; provided that Lessee shall provide written notice to Lessor of any such assignment or sublease and the identity of the Qualified Operator sublessee within thirty (30) days of executing such assignment or

sublease. Lessee shall provide a full copy of the Covenant and the Conservation Easement to such sublessee upon the execution of any such assignment or sublease of this Lease by Lessee pursuant to this paragraph.

5. Utilities; Taxes. Lessor shall continue to pay all charges for heat, electricity, gas, telephone, water, trash collection, sewer and all other utilities, if any, servicing the Property during the Term of the Lease and shall continue to pay existing real property taxes and customary increases, except for any increases attributable to Lessee's activities on, or improvements to, the Property. Lessee shall be solely responsible for the payment of any personal property taxes levied on the personal property owned by Lessee and used on the Property.
6. Permitted Agricultural Operations. Lessee may use the Property only for Agricultural Use as defined by the Covenant, which includes but is not limited to restoration, preparation and/or maintenance of the Property for future Agricultural Use. Notwithstanding the foregoing, Lessee may conduct, at its discretion, any Agricultural Use on the Property that is in compliance with all applicable laws and ordinances and the terms and conditions of the Conservation Easement. Lessee shall be solely responsible for the cost of all materials, equipment, and labor required to conduct Agricultural Use on the Property, including but not limited to sprays, trellises, and other infrastructure and inputs, but may deduct from the rent paid to Lessor those costs incurred by Lessee associated with the implementation of any restoration, preparation, and maintenance of the Property for future Agricultural Use.
7. Future Improvements. Lessee may make such improvements to the Property as are reasonably necessary for the permitted agricultural operations on the Property, provided that any such improvement shall comply with the terms and conditions of the Conservation Easement as well as any applicable law and regulation, whether municipal, state and/or federal, now in force, or which may hereafter be in force, pertaining to the Property and Lessee's use and occupancy thereof. Any cost and expense incurred as a result of the improvements shall be paid by Lessee.
8. Maintenance; Storage; Dumping. Lessee shall maintain all portions of the Property in a reasonable state of cleanliness and orderly condition, free from trash, waste and debris; provided, however, that the deposition of organic materials used on the Property for, or resulting from, the conduct of Agricultural Use that are conducted in accordance with this Lease and the Conservation Easement is permitted. Lessee may store and/or deposit

material and equipment about the Property on a temporary basis and in accordance with sound agricultural practices.

9. Hazardous Substances. Lessee shall not install, store, treat, use, transport, or otherwise dispose of any hazardous materials on, under, above, or in the Property unless such use, storage, and transportation is in compliance with all applicable laws. As used in this Lease, the term "hazardous substances" means any substance, material, or waste now or hereafter determined by any federal, state, or local governmental authorities to be capable of posing a risk of injury to health, safety, or property, including, but not limited to, any substance, material, or waste: (i) containing asbestos, radioactive materials, petroleum, petroleum fractions, or petroleum distillates; (ii) now or hereafter defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," or "restricted hazardous waste" under any provision of California law; (iii) now or hereafter defined as "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. § 6903; or (iv) now or hereafter defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. § 9601 *et seq.*
10. Indemnification; Insurance. Lessee shall indemnify, defend, and hold harmless Lessor from any and all claims, demands, lawsuits or judgments arising out of Lessee's use of the Property during the Term of this Lease. Lessee agrees to carry and maintain at its own cost and expense throughout the entire term of this Lease a policy or policies of insurance, in which Lessor shall be named as an additional insured, insuring against death or injury to persons and damage to property in an amount not less than \$2,000,000.00 combined single limit for both bodily injury and property damage liability type claims. Prior to taking possession of the Property, Lessee shall deliver to Lessor a certificate of the insurance company issuing such insurance, evidencing such coverage.
11. Default. In the event Lessee defaults in performing or observing any of the covenants or conditions of this Lease and does not cure such default within thirty (30) days of Lessee's receipt of written notice thereof by Lessor, or under circumstances where the default cannot reasonably be cured within a thirty (30)-day period, fails to begin curing the violation within the thirty (30)- day period, or does not continue diligently to cure the failure until finally cured, Lessor may, at Lessor's option, terminate and cancel this Lease, re-enter the Property and dispossess Lessee and remove its effects and take possession of the Property and hold the same as if this Lease had not been made. All terms of the

Covenant and Conservation Easement shall, in any event, continue in full force and effect and no portion of this Lease shall be construed to condition, amend or modify the Covenant and Conservation Easement.

12. Quarantine. Lessee shall not be required to pay rent for any portion of the Property during any such time that such portion of the Property is quarantined by the State of California, the County of Sonoma, or similar governmental agency. In such event, the annual rent shall be proportioned based upon the area of the Property quarantined and the number of days the quarantine remains in effect.
13. Notice. Any bill, statement, or notice that either party desires to give or is required to be given by the terms of this Lease shall be made in writing and delivered or mailed to the intended recipient at the parties' respective addresses shown on the first page of this Lease (or to such other address as such party may designate to the other pursuant to the terms of this section). Said notice will be considered delivered on the day it is mailed, if applicable, or if not mailed, when actually delivered to the recipient at the proper address. Any such notice shall be delivered personally; sent by certified U.S. mail, return receipt requested, with sufficient postage prepaid; or sent by a reputable overnight delivery service.
14. Amendment. This Lease may be amended only by an agreement in writing signed by the parties to this Lease.
15. Termination. In addition to other events of termination provided for in this Lease, this Lease may also be terminated at any time upon mutual consent of Lessor and Lessee.
16. Surrender of Property. Upon the expiration or termination of this Lease, Lessee shall quit and surrender the Property to Lessor. On termination or expiration, Lessee shall have the right to remove personal property at its expense, and shall have sixty (60) days after the expiration of the Lease in which to remove any or all of said personal property. If Lessee fails to remove all said personal property within 60 days after expiration of the Lease, then that personal property not removed shall be deemed abandoned by Lessee and title to that property may be retained by Lessor.
17. Eminent Domain. If the whole or any part of the Property is acquired or condemned by eminent domain for any public or quasi-public use or purpose, then the terms of this Lease shall terminate from the date of title vesting in such condemning entity, and Lessee

shall have no claim against Lessor for the value of any unexpired Term of this Lease.

18. Lien. This instrument shall not be a lien against said Property in respect to any mortgages that hereafter may be placed against said Property and that the recording of such mortgage or mortgages shall have preference and precedence and be superior and prior in lien to this Lease, irrespective of the date of recording, and Lessee agrees to execute any such instrument, without cost, which may be deemed necessary or desirable to further effect the subordination of this Lease to any such mortgage or mortgages.
19. No Broker. Each party represents to the other that no broker brought about the signing of this Lease. In the event any person asserts a claim for a broker's commission or finder's fee, the party on account of whose conduct or actions the claim is asserted will indemnify, defend and hold the other party harmless from said claim.
20. Lease Runs with the Property. This Lease and all its terms shall run with the Property and shall survive a sale of the Property by Lessor.
21. Successors and Assigns. The covenants, conditions, and agreements contained in this Lease shall bind and inure to the benefit of Lessor and Lessee and their respective heirs, successors, and permitted assigns.
22. Entire Agreement. Any prior negotiations, oral representations, or statements made by either Lessor or Lessee are merged into this Lease. All prior claims, counter-claims, defenses, or actions are extinguished upon execution of this Lease. This Lease contains and fully integrates the entire agreement between the parties, and it shall not be modified in any manner except by an instrument in writing executed by the parties. If any term or provision of this Lease or the application of this Lease to any person or circumstances shall, to any extent, be determined to be invalid or unenforceable, the remainder of this Lease, or the application of such Lease's terms or provisions to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each remaining term and provision of this Lease shall be valid and shall be enforced to the fullest extent permitted by law.
23. Construction. This Lease shall be governed by and construed under the laws (statute and common) of the State of California. Paragraph headings and summaries are for convenience only. In no event shall any such title or caption be deemed to be part of this Lease or interpretive of any of its language or intent. No provision of this Lease is to be

interpreted for or against either party because that party or that party's legal representative drafted this Lease or any of its provisions. Words of any gender in this Lease shall be held to include any other gender, and words in the singular number shall be held to include the plural when the sense requires.

24. Time of Essence. Time is of the essence in this Lease and all the provisions relating to timely performance shall be strictly construed.

[End of Exhibit]

Exhibit D
Grant Deed

RECORDING REQUESTED BY AND RETURN TO:

Clerk of the Board of Directors
Sonoma County Agricultural
Preservation and Open Space District
575 Administration Drive, Room 102A
Santa Rosa, CA 95403

Recorded by government agency - Exempt from recording fees per Gov. Code §§ 27383, 27388.1, 27388.2
Interest acquired by government agency - Exempt from documentary transfer tax per Rev. & Tax. Code § 11922


GRANT DEED

For good and valuable consideration, the receipt and adequacy of which are acknowledged, the SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT, a public agency formed pursuant to the provisions of Public Resources Code section 5500 *et seq.*, (Grantor), hereby remises, releases, and forever grants to TIERRA VEGETABLES, INC. a California S Corporation, (Grantee), all right, title, and interest Grantor has in and to that certain real property located in the County of Sonoma, State of California, described in **Exhibit A**, attached hereto and incorporated herein by this reference.

Executed as of _____.

GRANTOR:

SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT



[NAME], President of the Board of Directors

[Acknowledgment]

EXHIBIT "A"

Legal Description

For APN/Parcel ID(s): 059-230-040-000 (Old) 059-230-089-000 (New) and 059-230-074-000 (Old)
059-230-088-000 (New)

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA IN COUNTY OF SONOMA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Being situated in the Northwest 1/4 of Section 29, Township 8 North, Range 8 West, Mount Diablo Meridian:

Commencing at a found 1/2" iron pipe as shown on that certain Record of Survey Map, entitled, "Record of Survey in Section 29, etc.", recorded in [Book 60 of Maps, Page 6](#), Sonoma County Records, said pipe lies on the East line of that certain 1.47 acre parcel, being the lands of Frank and Anna Johnson, and is North 300.0 feet from the Southeast corner thereof; thence from said point of commencement East 19.8 feet to a found 1/2" iron pipe on the South line of mark West Station Road; thence South 300.00 feet to set 1/2" iron pipe and tag, being the true point of beginning for the parcel to be herein described and also the most Southwesterly corner of the lands conveyed to the mark West Neighborhood Church, as said conveyance is [recorded in Book 1510 of Official Records, Page 365](#), Sonoma County Records; thence from said true point of beginning, South 515.46 feet to a found 1/2" iron pipe as referred to in that certain Grant Deed from John A. Esposti, et ux., and Michael J. Debonis, et ux., to the State of California and [recorded in Book 1642 of Official Records, Page 323](#), Sonoma County Records; thence North 89° 57' 30" East, 185.90 feet (State Deed 186.02) to a found 1/2" iron pipe, also referred to in said Deed; thence South 57.05 feet to a 1/2" iron pipe and tag set for the most Northwesterly corner of that certain 1.357 acre tract as described in Deed from Sonoma County Land Title Company to the State of California and [recorded in Book 1722 of Official Records, Page 459](#), Sonoma County Records; thence along the Northeasterly line of said 1.357 acre Parcel, from a tangent that bears South 75° 25' 17" East (all State Deed bearings shown hereafter rotated 39° 57') along a curve to the right with a radius of 450.00 feet, through an angle of 29° 36' 33" an arc length of 232.55 feet; thence South 45° 48' 44" East, 198.08 feet; thence along a curve to the left with a radius of 350.00 feet, through an angle of 23° 49' 38" an arc length of 145.55 feet; thence South 69° 38' 22" East, 75.85 feet; thence South 0° 22' 30" East, 12.00 feet to the Northerly line of Lone Redwood Road (60 feet wide); thence along said Northerly line of Lone Redwood Road (60 feet wide); thence along said Northerly line, North 89° 37' 30" East, 797.36 feet to a point in the center of Fulton Road; thence along the center of Fulton Road North 0° 00' 51" West, 1012.56 feet to a point (from which a set 1/2" iron pipe and tag bears North 89° 57' 39" West, 24.06 feet); thence leaving said Road, North 89° 57' 39" West, 1023.80 feet to a set 1/2" iron pipe and tag; thence North 20.00 feet to a set 1/2" iron pipe and tag; thence North 89° 57' 39" West, 220.00 feet to a found 1/2" iron pipe and tag (L.S. 2756); thence North 175.00 feet to a found 1/2" iron pipe and tag (L.S. 2756); thence on a curve to the right with a radius of 25.00 feet for a distance of 39.27 feet to a found 1/2" iron pipe and tag (L.S. 1286) said found iron pipe being a point on the South line of Mark West Station Road, as described in Deed to the County of Sonoma and [recorded in Book 1571 of Official Records, Page 589](#), Sonoma County Records; thence along the Southerly edge of said road, North 89° 57' 39" West, 100.00 feet to a set 1/2" iron pipe and tag; thence on a curve to the right with a radius of 25.00 feet, from a tangent which bears South 89° 57' 39" East, for a distance of 39.27 feet to a set 1/2" iron pipe and tag; thence South 275.00 feet to a set 1/2" iron pipe and tag; thence North 89° 57' 39" West, 225.00 feet to the point of beginning, basis of bearings; centerline Lone-Redwood Road by found monuments course North 89° 37' 30" East, all tags mentioned herein and not otherwise identified bear the inscription "R.S. Hogan, L.S. 2798".

Excepting therefrom, the following described property:

Being a portion of the lands of utilities and Industries Corporation, as [recorded in Book 1891 of Official Records, Page 597](#), and being more particularly described as follows:

Beginning at a 1/2" iron pipe monument found on the dividing line of the said lands of utilities and Industries Corporation and the lands of Kenneth G. and Joan Lucille Lawson, as [recorded in Book 2512 of Official Records, Page 608](#), from which Engineer's Station 30+07.31 P.O.T. as shown on a Map entitled "Fulton Road", dated January 1977, and on File in the Office of the Sonoma County Department of public works, bears South 89° 19' 39" East, 22.49 feet; thence from said point of beginning and along said dividing line, North 89° 19' 39" West,

EXHIBIT "A"
Legal Description
(continued)

12.51 feet to a point from which a 1/2" iron pipe monument found in the North line of the said lands of utilities and Industries Corporation, bears North 89° 19' 39" West, 987.46 feet; thence leaving said dividing line, South 0° 36' 56" West, 7.03 feet to a point from which Engineer's Station 30+00 28 E.C. bears South 89° 23' 04" East, 35.00 feet; thence curving to the right with a radius of 4965 feet, through an angle of 2° 47' 34" for a distance of 242.01 feet to a point from which Engineer's Station 27+56.55 P.R.C. bears South 86° 35' 30" West 35.00 feet; thence curving to the left from a tangent which bears South 3° 24' 30" West, with a radius of 5035 feet through an angle of 2° 33' 46" for a distance of 225.21 feet to a point from which Engineer's Station 25+32.91 B.C. Bears South 39° 09' 16" East, 35.00 feet; thence South 0° 50' 44" West, 513 feet, more or less; thence curving to the right with a radius of 25 feet to a point on the South line of the said lands of utilities and Industries Corporation; thence along said South line in an Easterly direction to the Southeast corner of the said lands of utilities and Industries Corporation; thence along the East line of the said lands of utilities and Industries Corporation in a Northerly direction to the Northeast corner of the said lands of utilities and Industries Corporation; thence along the said North line of the said lands of utilities and Industries Corporation, North 89° 19' 39" West, to the point of beginning.

Basis of bearing: Bearing between monuments S-111 and S-112, as shown on a Map entitled, "California State Highway Monument Map", Page S-141.8 and on File in the Sonoma County Department of Public Works.

Further Excepting Therefrom, All the lands as shown on that certain Map entitled, Larkfield Meadows Subdivision, filed for record August 8, 1985, in [Book 375 of Maps, at Pages 6](#) through 9, inclusive, Sonoma County Records.

Further Excepting Therefrom, The lands conveyed to the County of Sonoma in the Deed recorded August 20, 1985, under Recorder's Serial #85-54642, Sonoma County Records.

Further Excepting Therefrom, That portion conveyed to the County of Sonoma in the Deed recorded September 12, 2014, [Instrument No. 2014-64155](#), Sonoma County Records.

Further Excepting Therefrom, That portion conveyed to the State of California in the Deed recorded September 17, 2014, [Instrument No. 2014-65284, of Official Records](#).