

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

Izote Holdings, LLC
6558 Lonetree Blvd
Rocklin, CA 95765
Attn: General Counsel

Space Above Line For Recorder's Use

DECLARATION OF RESTRICTIONS

THIS DECLARATION OF RESTRICTIONS ("Declaration") is made as of _____, 20__, by Izote Holdings, LLC, a California limited liability company ("Declarant").

WHEREAS, Declarant is the owner of that certain real property located in Los Angeles County, California, described in Exhibit "A" attached hereto and incorporated hereby by this reference (hereinafter "Property"). The protected area consists of a 123.00-acre portion of the Property and is described in Exhibit "B", attached hereto and incorporated herein by this reference (hereinafter "Protected Area");

WHEREAS, The Protected Area is in an unimproved natural condition and possesses wildlife and habitat values of great importance to the people of the State of California. The Protected Area provides habitat for special status plants and animals, including Swainson's hawk (*Buteo swainsonii*) and Agassiz's desert tortoise (*Gopherus agassizii*).

WHEREAS, Chapter 15.66 of City of Lancaster Municipal Code ("Municipal Code") establishes the adoption, collection, administration, and use of a biological impact fee to mitigate the long-term incremental impact of additional new development by acquiring, or paying a third party for the acquisition of, land for the permanent conservation of habitat or species.

WHEREAS, this Declaration is intended to be a binding covenant running with the land in perpetuity;

NOW, THEREFORE, in consideration of the above recitals and the mutual benefits to be derived by the Declarant and each and every subsequent owner and occupant of the real property, Declarant has promised to place certain restrictions on the Protected Area exclusively for conservation purposes, in order that it shall remain substantially in its restored, enhanced, preserved, open, natural and/or scenic condition, in perpetuity.

1. Covenant Running with Land. Declarant does hereby declare that all of the Protected Area shall be held, transferred, sold, conveyed and occupied subject to the terms and conditions of the covenants, easements and affirmative obligations all of which shall run with the Protected Area and will be binding on all persons, firms, associations, corporations or governmental entities having or hereafter acquiring any right, title or interest in said Protected Area, or any part thereof, their heirs, executors, administrators, successors and assigns. The terms and conditions of this Declaration shall be both implicitly and explicitly included in any subsequent transfer, conveyance, or encumbrance affecting all or any part of the Protected Area. It shall set forth the terms and conditions of this document either by reference to this document and its recorded location or by attachment and incorporation by reference.

2. Restrictions Concerning the Protected Area. Except for activities consistent with the conservation purposes of the Protected Area including maintenance, repair or enhancement, Declarant, nor its successors or assigns, shall engage in any of the following restricted activities in the Protected Area:

- a. Construction, reconstruction or placement of any building, billboard, sign, structure, or other improvement not a part of the management of the Protected Area consistent with the conservation purposes.
- b. Unseasonable watering, use of fertilizers, herbicides, pesticides, biocides, incompatible fire protection activities which may adversely affect the conservation purposes of the Protected Area.
- c. Industrial uses on the surface of the land.
- d. Depositing or accumulating soil, trash, ashes, refuse, waste, bio-solids or any other material in any manner not consistent with the conservation purposes.
- e. Filling, dumping, excavating, draining, dredging, mining, drilling, removing, exploring for or extracting minerals, loam, gravel, soil, rock, sand or other material on or above a depth of five hundred (500) feet from the surface of the Protected Area in any manner not consistent with the conservation purposes.
- f. Altering the surface or general topography of the Protected Area, including building roads, paving or otherwise covering the Protected Area with concrete, asphalt, or any other impervious material not consistent with the conservation purposes.
- g. Removing, destroying, or cutting trees, shrubs or other vegetation, except as may be consistent with the conservation purposes or as may be required for: (i) fire breaks; (ii) maintenance of existing foot trails or roads; (iii) prevention or treatment of disease; (iv) utility line maintenance and clearance; (v) public safety; or (vi) invasive species management.

3. Exclusive Possession. Declarant, its (personal representatives, heirs, executors, administrators) (successors and assigns), reserve all other rights accruing from its ownership of the Protected Area including but not limited to the exclusive possession of the Property, the right to transfer or assign their interest in the same, the right to take

action necessary to prevent erosion on the Protected Area, to protect the property from losing its conservation functions and services, or to protect public health or safety; and the right to use the Protected Area in any manner not prohibited by this Declaration and which would not defeat or diminish the conservation purpose of this Declaration.

4. Not an Offer to Dedicate; No right of Public Use. The provisions of this Declaration do not constitute an offer for public use and do not create a right of public access. This instrument does not constitute an irrevocable offer to dedicate.

5. Successors and Assigns Bound. This Declaration shall not terminate upon some fixed amount of time but shall run with the land in perpetuity both as to benefit and as to burden and shall be enforceable against Declarant and all present and future owners, tenants and other holders of any interest in the Protected Area. This Declaration is established for the purpose of preserving, enhancing and conserving the Protected Area and the associated conservation values, services and functions.

6. Recordation. Declarant shall execute and record this instrument in timely fashion in the official records of Los Angeles County. Declarant may re-record this instrument at any time as may be required to preserve its rights.

DECLARANT

By: _____

Its: _____

Date: _____

Exhibit "A"
Description of Property

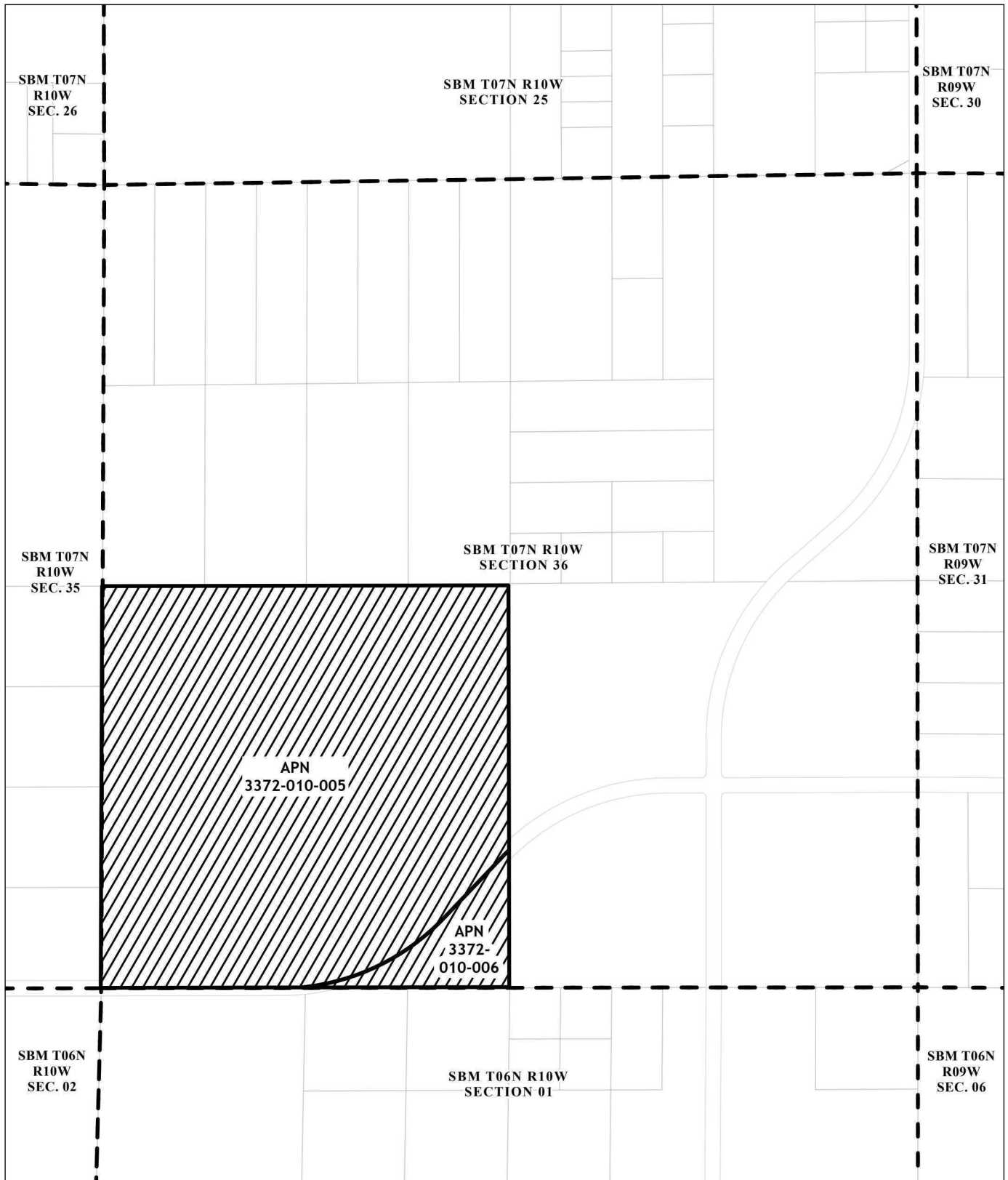
Legal Description Property

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

The Southwest one-quarter of Section 36, Township 7 North, Range 10 West, San Bernardino Base and Meridian, in the County of Los Angeles, State of California.

APN: 3372-010-005 and 3372-010-006

EXHIBIT A - PROPERTY



LEGEND



Property (labeled by Los Angeles Co. APN)



PLSS Section Lines

LOCATION INFO

San Bernardino Baseline
Township 07 North, Range 10 West
Section 36

SCALE / ORIENTATION



Exhibit "B"
Description of Protected Area

PENDING FINAL LEGAL DESCRIPTION