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Bear Yuba Land Trust
PO Box 1004
Grass Valley, CA 95945

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**DEED OF AGRICULTURAL CONSERVATION EASEMENT IN PERPETUITY
FOR NIESEN RANCH**

This Deed of Agricultural Conservation Easement is granted on this ____ of _____ 2025, by and between CARL D. NIESEN AKA C. DUANE NIESEN AND KATHRYNE J. NIESEN, HUSBAND AND WIFE, AS JOINT TENANTS, SUBJECT TO EXCEPTION NO. 26, and having an address at 16735 Rough and Ready Hwy Rough And Ready, CA 95975 ("Landowner"), to Bear Yuba Land Trust, a California nonprofit public benefit corporation, having an address at PO Box 1004, Grass Valley, CA 95945 ("Grantee"), for the purpose of forever conserving the agricultural productive capacity and open space character of this property.

RECITALS

- A. The Landowner is the sole owner in fee simple of the rangeland property ("Property") legally described in Exhibit A ("Legal Description") and generally depicted in Exhibit B ("Vicinity Map"), attached to and made a part of this Agricultural Conservation Easement ("Easement"). The Property consists of approximately 106 acres of land and is commonly known as "Niesen Ranch" together with buildings and other improvements, is located in Nevada County, California, and is identified by assessor's parcel number(s) 053-150-028-000. The existing buildings and improvements on the Property are shown within the Building Envelope as depicted in Exhibit C ("Building Envelope and Existing Improvements"), also attached to and made a part of this Easement. Except as shown in Exhibit C, the Property is open rangeland, whose soils have been classified as farmland of statewide importance, farmland of local importance, and grazing land by the Natural Resources Conservation Service ("NRCS"), and by the California Department of Conservation's ("Department") Farmland Mapping and Monitoring Program, because this land has the soil quality, growing season, and water supply needed for sustained agricultural production.
- B. The agricultural and other characteristics of the Property, its current use and state of improvement, are documented and described in a Baseline Documentation Report

(“Baseline Report”), prepared by the Grantee with the cooperation of the Landowner and incorporated herein by this reference. The Landowner and the Grantee acknowledge that the Baseline Report is complete and accurate as of the Effective Date. Both the Landowner and the Grantee shall retain duplicate original copies of the Baseline Report. The Baseline Report may be used to establish whether a change in the use or condition of the Property has occurred, but its existence shall not preclude the use of other evidence to establish the condition of the Property as of the Effective Date.

- C. The Budget Act of 2014 appropriated \$130 million from the California Air Resources Board’s California Climate Investment Fund, also known as the Greenhouse Reduction Fund, to develop and implement the Affordable Housing and Sustainable Communities Program (“AHSC”), which is administered by the Strategic Growth Council (“Council”). Beginning in FY 2015-16, 20 percent of California Climate Investment Fund’s annual proceeds go to the AHSC. The Sustainable Agricultural Lands Conservation Program (“Program”), a sub program of AHSC, was developed to conserve agricultural land under pressure of being converted to nonagricultural uses, particularly those adjacent to areas most at risk of urban or suburban sprawl or those of special environmental significance to support infill development and avoid greenhouse gas emissions.
- D. On behalf of the Council the Department administers the Sustainable Agricultural Lands Conservation Program (“SALC”) in conjunction with the California Natural Resources Agency. SALC supports the AHSC’s goal by investing in the acquisition of agricultural conservation easements on properties at risk of conversion to non-agricultural uses, thereby reducing greenhouse gas emissions. These acquisitions contribute to a healthy agricultural economy, support the implementation of Sustainable Communities Strategies, provide food security, encourage smart growth, and ensure agricultural and open space remains available.
- E. As administrator of SALCP and on behalf of the Council, the Department has made a grant of funds to the Grantee from the California Climate Investment Fund to support the acquisition of this Easement. The Council awarded a grant to the Grantee from the California Climate Investment Fund for the Easement acquisition. The grant funds represent a substantial investment by the people of the State of California in the long-term conservation of valuable agricultural land and the retention of agricultural land in perpetuity. The Property and this Easement have met the eligibility criteria, certain selection criteria, and multiple natural resource conservation objectives identified in the 2021-22 Sustainable Agricultural Lands Conservation Program Guidelines and Request for Grant Applications. The rights vested herein in the State of California arise out of its statutory role in fostering the conservation of agricultural land in California and its role as fiduciary for the public investment represented by the California Climate Investment Fund.
- F. The Landowner grants this Easement for valuable consideration to the Grantee for the purpose of assuring that, under the Grantee’s perpetual stewardship, the agricultural

productive capacity and open space character of the Property will be conserved and maintained forever, and that uses of the land that are inconsistent with these conservation purposes will be prevented or corrected. The parties agree, however, that the current agricultural use of, and improvements to, the Property are consistent with the conservation purposes of this Easement.

- G. The conservation purposes of this Easement are recognized by, and the grant of this Easement will serve, the following clearly delineated governmental conservation policies:

California Civil Code at Part 2, Chapter 4, (commencing with section 815), which defines and authorizes perpetual conservation easements. The California Legislature declares in Section 815 of the California Civil Code that the preservation of land in its natural, scenic, agricultural, historical, forested, or open-space condition is among the most important environmental assets of California, and further declares it to be the public policy and in the public interest of the State to encourage the voluntary conveyance of conservation easements to qualified nonprofit organizations;

California Constitution Article XIII, section 8, California Revenue and Taxation Code sections 421.5 and 422.5, and California Civil Code section 815.10, under which this Agricultural Conservation Easement is an enforceable restriction, requiring that the Property's tax valuation be consistent with restriction of its use for purposes of food and fiber production and conservation of natural resources;

Section 75210 of California Public Resources Code, which lists the protection of "agricultural lands to support infill development" as a public policy objective supported by the Program to achieve the long term goals of AB 32 (Chapter 488, Statutes of 2006) and related amendments;

Section 65041.1 of the California Government Code, which enumerates the protection of "environmental and agricultural resources by protecting, preserving, and enhancing the state's most valuable natural resources, including working landscapes such as farm, range, and forest lands" among the State's planning priorities;

Section 10200 et seq. of the California Public Resources Code, which creates the California Farmland Conservancy Program within the Department, provides the Department authority for agricultural land conservation, and informs eligibility for funding under SALC;

Section 51220 of the California Government Code, which declares a public interest in the preservation of agricultural lands, by providing that "agricultural lands have a definitive public value as open space" and "that the discouragement of premature and unnecessary conversion of agricultural land to urban uses is a matter of public interest";

California Food and Agriculture Code Section 821, which states that one of the major principles of the State's agricultural policy is "to sustain the long-term productivity of the State's farms by conserving and protecting the soil, water, and air, which are agriculture's basic resources;"

The California General Plan law section 65300 et seq. and Section 65400 et seq. of the California Government Code, and the Nevada County General Plan, as updated in 1995, which includes as one of its goals to protect farmlands designated as prime, of statewide importance, unique, or of local importance from conversion to and encroachment of non-agricultural uses; and,

Resolution No. 17-484, approved by the Board of Supervisors of Nevada County on the 26 of September, 2017, which expresses support for the acquisition of this Easement and finds that the acquisition is consistent with the County's General Plan and the Resolution's findings. (NOTE: If the Property lies within the Sphere of Influence of an incorporated city, both the city and county must pass resolutions of support.)

- H. The Grantee is a California nonprofit organization within the meaning of California Civil Code section 815.3 and is a tax exempt and "qualified conservation organization" within the meaning of Sections 501(c)(3) and 170(b)(1)(A)(vi) as defined by the United States Internal Revenue Code. Grantee, as certified by a resolution of Grantee's Board of Trustees, accepts the responsibility of enforcing the terms of this Easement and upholding its conservation purposes forever.

GRANT OF AGRICULTURAL CONSERVATION EASEMENT

Now, therefore, for the reasons given, and in consideration of their mutual promises and covenants, terms, conditions and restrictions contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Landowner voluntarily grants and conveys to the Grantee, and the Grantee voluntarily accepts, a perpetual conservation easement, as defined by Section 815.2 of the California Civil Code and Section 10211 of the California Public Resources Code, and of the nature and character described in this Easement for the purpose described below, and agree as follows:

1. *Conservation Purpose.*

The conservation purpose (“Purpose”) of this Easement is to enable the Property to remain in productive agricultural use in perpetuity by preventing and correcting uses of the Property prohibited by the provisions of this Easement. To the extent that the preservation of the open space character, scenic, habitat, ecosystem, soil and historic values of the Property are consistent with such use, it is within the Purpose of this Easement to protect those values.

2. *Right to Use Property for Agricultural Purposes.*

The Landowner retains the right to use the Property for agricultural purposes, or to permit others to use the Property for agricultural purposes, in accordance with applicable law and this Easement.

3. *Prohibited Uses.*

The Landowner shall not perform, nor knowingly allow others to perform, any act on or affecting the Property that is inconsistent with this Easement. Any use or activity that would diminish or impair the agricultural productive capacity, future viability, and open space character, scenic, habitat, ecosystem, soil or historic values (collectively, “Conservation Values”) of the Property, or that would cause significant soil degradation or erosion, permanently restrict agricultural husbandry practices, or that is otherwise inconsistent with the Purpose is prohibited (“Prohibited Use”). “Husbandry practices” means agricultural activities, such as those specified in Section 3482.5(e) of the California Civil Code, conducted or maintained for commercial purposes in a manner consistent with proper and accepted customs and standards, as established and followed by similar agricultural operations in the same locality. This Easement authorizes the Grantee to enforce these covenants in the manner described herein. However, unless otherwise specified, nothing in this Easement shall require the Landowner to take any action to restore the condition of the Property after any Act of God or other event over which the Landowner had no control. The Landowner understands that nothing in this Easement relieves it of any obligation or restriction on the use of the Property imposed by law.

4. *Permission of the Grantee.*

Where the Landowner is expressly required to obtain the Grantee's permission for a proposed use hereunder, said permission (a) shall not be unreasonably delayed or withheld by the Grantee, (b) shall be sought and given in writing, and (c) shall in all cases be obtained by the Landowner prior to the Landowner's undertaking of the proposed use. The Grantee shall grant permission to the Landowner only where the Grantee, acting in the Grantee's sole reasonable discretion and in good faith, determines that the proposed use is not a Prohibited Use as defined in Section 3. Copies of all documents shall be provided to the Council.

5. *Construction or Placement of Buildings and Other Improvements; Prior Notice Required.*

The Landowner may undertake construction, erection, installation, or placement of buildings, structures, or other improvements on the Property only as provided in subsections (a) through (g) below. The Landowner shall give at least thirty (30) days' advance notice to the Grantee prior to seeking any building or grading permit, zoning change, or environmental regulatory review, in writing in accordance with Section 28, providing the Grantee with adequate information, documents and plans so as to enable the Grantee to confirm compliance with this Easement and enable the Grantee to keep its records current.

All other construction, erection, installation, or placement of buildings, structures, or other improvements on the Property is prohibited. Before undertaking any construction, erection, installation or placement that requires permission, the Landowner shall notify the Grantee in accordance with Section 28 and obtain prior written permission from the Grantee.

For purposes of this section, the term "improvements" shall not refer to, and specifically excludes, crops, plants, trees, vines, or other living improvements planted for agricultural purposes, nor shall it refer to irrigation improvements necessary or desirable to irrigate the Property for agricultural purposes, all of which may be made without permission of the Grantee.

- a) Fences: Existing fences may be repaired and replaced without permission of the Grantee. New fences may be built anywhere on the Property for purposes of reasonable and customary agricultural management, and for security of farm produce, livestock, equipment, and improvements on the Property, without permission of the Grantee.
- b) Agricultural Structures and Improvements: Existing agricultural structures and improvements as shown in Exhibit C and more fully described in the Baseline Report, may be repaired, reasonably enlarged, and replaced at their current

locations without permission from the Grantee. New buildings and other structures and improvements to be used solely for agricultural production on the Property or sale of farm products predominantly grown or raised on the Property, including barns and equipment sheds, but not including any dwelling or farm labor housing, may be built, repaired, reasonably enlarged, and replaced on the Property only and entirely within the Building Envelope depicted in Exhibit C, without permission of the Grantee. Any other agricultural production or marketing-related structures may be constructed only with permission of the Grantee pursuant to Section 4, and then only and entirely within the Building Envelope.

- c) Existing Residential Dwellings: As of the Effective Date of this Easement, one (1) single-family dwelling exists on the Property, as identified in Exhibit C. The single-family dwelling shown in Exhibit C may be repaired, enlarged or replaced entirely within the Building Envelope shown in Exhibit C without permission of the Grantee. Said single-family dwelling shall not exceed three thousand five hundred square feet (3,500 sq. ft.) of living area.

- d) Future Building Envelope:

A second building envelope, encompassing the site of the historic home foundations, exists on the property. This building envelope is one (1) acre in size and located at and generally depicted on Exhibit D. One new structure intended for use as a single-family residence (“Residential Improvement”), not to exceed two thousand five hundred square feet (2,500 sq. ft.), and new outbuildings or accessory structures (“Non-Residential Improvements”), collectively “Improvements,” may be built within the Future Building Envelope.

If the designated location is not reasonably feasible for permitted residential or other permitted development because of County or other agency requirements, a new location (“Alternate Location”) may be selected by Landowner, provided that prior written approval is obtained from Grantee, which may only be granted after Grantee obtains the Council’s consent to the adjusted location and boundary, and further provided that the Alternate Location provides equal or greater protection of the Conservation Values. Notwithstanding the foregoing, the Future Building Envelope shall not exceed one (1) acre.

Landowner shall inform Grantee in writing of Landowner’s choice of location for the Future Building Envelope. Upon written approval from Grantee, Landowner and Grantee shall execute and record in the property records of the county or counties in which the Property is located a Notice of Building Envelope Designation, which shall also include a revised Exhibit D, which revision shall establish the boundaries of the Future Building Envelope and eliminate all other potential Future Building Envelope locations. Revised Exhibit D will be recorded in Nevada County as a corrective deed to the Conservation Easement. Any such revision shall be binding on any lender whose mortgage or deed of trust is subject

to the terms of the Deed. Only after a properly executed Notice of Building Envelope Designation is recorded, one new structure intended for use as a single-family residence ("Residential Improvement"), not to exceed two thousand five hundred square feet (2,500 sq. ft.), and new outbuildings or accessory structures ("Non-Residential Improvements"), collectively "Improvements," may be built within the Future Building Envelope.

The construction of new Residential and Non-Residential Improvements within the Building Envelope or Future Building Envelope shall not cause adverse environmental impacts to the Conservation Values on portions of the Property located outside the Building Envelope or Future Building Envelope.

- e) Agricultural Employee Housing: Additional agricultural employee housing may not be constructed or placed on the Property without permission of the Grantee. Grantee may only grant permission pursuant to Section 4 and only if the Landowner can demonstrate to the Grantee's satisfaction that such additional agricultural employee housing is reasonable and necessary for the agricultural operation of the Property. The aggregate living area of agricultural employee housing shall not exceed three thousand five hundred square feet (3,500 sq ft.). All agricultural employee housing must be located entirely within the Building Envelope shown in Exhibit C.
- f) Utilities and Septic Systems: Wires, lines, pipes, cables, or other facilities providing electrical, gas, water, sewer, communications, energy generation, or other utility services solely to serve the uses and improvements permitted herein, or to transmit power generated on the Property, may be installed, maintained, repaired, removed, relocated, and replaced. In addition, septic or other underground sanitary systems serving the improvements permitted herein may be installed, maintained, repaired, replaced, relocated or improved, but must be located within the Building Envelope where reasonably feasible. Renewable power generation and transmission facilities for agricultural and other permitted uses on the Property may be constructed within the Building Envelope. Power generated in excess of requirements on the Property may be sold to appropriate public utilities. Notwithstanding the foregoing, commercial power generation, collection, or transmission facilities, including wind or solar farms, outside of Building Envelope, and the conveyance of any rights-of-way over, under or on the Property for any such purpose, are prohibited.
- g) Cold Storage and Farm Stand: The landowner reserves the right to establish a twenty foot by twenty foot (20' x 20') cold storage unit entirely within the existing or future building envelope for the purpose of storing products raised or grown on the property. The landowner may establish a farm stand to sell the products to the community. All parking for the farm stand must be located with the Building Envelope.

The construction of a cold storage unit and farm stand shall not cause adverse environmental impacts to the Conservation Values on portions of the Property located outside the Building Envelope or Future Building Envelope.

6. *No Subdivision.*

The division, subdivision, defacto subdivision, or partition of the Property, including transfer of development rights, whether by physical, legal, or any other process, is prohibited.

The Landowner and Grantee acknowledge and understand that the Property is currently comprised of, and is described in Exhibit A as, one (1) legal parcel, and that no additional, separate legal parcels currently exist within the Property that may be recognized by a certificate of compliance or conditional certificate of compliance pursuant to California Government Code section 66499.35 based on previous patent or deed conveyances, subdivisions, or surveys. The Landowner will not apply for or otherwise seek recognition of additional legal parcels within the Property based on certificates of compliance or any other authority.

Landowner will not sell, exchange, convert, transfer, assign, mortgage or otherwise encumber, alienate or convey any parcel associated with the Property or portion of any parcel of the Property separately or apart from the Property as a whole, and Landowner and its successors in interest will at all times treat all parcels of the Property as a single integrated economic unit of property, provided, however, that a lease of a portion of the Property for agricultural or other permitted uses (subject to this Easement) shall not be prohibited by this sub-section.

Lot line adjustment within the boundary lines of the Easement may be permitted by the Grantee pursuant to Section 4 for purposes of maintaining, enhancing, or expanding agricultural practices or productivity on the Property. Such lot line adjustments shall not increase or decrease the total acreage of the Easement.

7. *Extinguishment of Development Rights.*

The Landowner hereby grants to the Grantee all development rights except as specifically reserved in this Easement, that were previously, are now or hereafter allocated to, implied, reserved, appurtenant to, or inherent in the Property, and the parties agree that such rights are released, terminated, and extinguished, and may not be used on or transferred by either party to any portion of the Property as it now or later may be bounded or described, or to any other property adjacent or otherwise, or used for the purpose of calculating permissible lot yield of the Property or any other property. This Easement shall not create any development rights.

8. *General Prohibition on Surface Mining.*

Except as specifically authorized herein, the mining, removal or extraction on or from the area subject to this Easement of soil, sand, gravel, aggregate, rock, oil, natural gas, fuel, or any other mineral substance, through a surface mining, removal or extraction method or from above a depth of 100 feet below the surface of the Property is prohibited. This prohibition includes the installation of roads or pipelines for transportation of the aforestated resources.

This section is not intended to interfere with Landowners' right to remove cobble and hardpan from farm areas in order to prepare the land for agricultural purposes.

9. *Paving and Road Construction*

Other than existing roads shown within the Building Envelope as identified in the Baseline Report, or roads used primarily for access to existing or future residences permitted herein, no portion of the Property presently unpaved shall be paved or otherwise covered with concrete, asphalt, or any other impervious paving material, unless such measures are required by air quality laws or regulations applicable to the Property. Except as otherwise permitted herein, no road for access or other purposes shall be constructed without the permission of the Grantee pursuant to Section 4. Notwithstanding the foregoing, construction of unpaved farm roads, as necessary or desirable by agricultural operations, is permitted without permission from the Grantee. The Landowner shall notify the Grantee of any significant net relocation or addition of unpaved farm roads.



10. *Trash and Storage.*

The dumping or accumulation on the Property of any kind of trash, refuse, sewage, vehicle bodies or parts, or "Hazardous Materials," as defined in Section 29 is prohibited. Farm-related trash and refuse produced on the Property may be temporarily stored on the Property subject to all applicable laws. The storage of agricultural products and byproducts produced on the Property and materials reasonably required for agricultural production on the Property, including Hazardous Materials, is permitted as long as it is done in accordance with all applicable government laws and regulations.

11. *Commercial Signs.*

Commercial signs (including billboards) unrelated to permitted activities conducted on the Property are prohibited.

12. *Recreational Uses; Motorized Vehicle Use Off Roadways*

Resort structures, athletic fields, golf courses, non-residential swimming pools, public or commercial airstrips, public or commercial helicopter pads, and any other non-agricultural recreational structures or facilities are prohibited on the Property. Notwithstanding the foregoing, recreational structures or improvements for the

personal use of the Landowner and its guests (e.g. tents, yurts, temporary structures) are permitted only within the Building Envelope. The use of motorized vehicles off roadways outside of the Building Envelope is prohibited except where used for agricultural production, property maintenance and security, or for the purpose of monitoring this Easement.

13. *Water Rights.*

The Landowner shall retain and reserve all ground water, and all appropriate, prescriptive, contractual or other water rights appurtenant to the Property as of the Effective Date. The Landowner shall not permanently transfer, encumber, lease, sell, or otherwise separate such quantity of water or water rights from title to the Property itself. Permanent separation of water or water rights is prohibited. Only that quantity of water or water rights that is not necessary for present or future agricultural production on the Property may be temporarily distributed on an annual basis. Any temporary distribution shall not impair the current or future agricultural use or open space character of the Property. All water shall be retained in Nevada County for agricultural production or for use in conjunction with the improvements permitted by Section 5 of this Easement only. Water may be temporarily distributed to a contiguous property or other property owned or leased by the Landowner on an annual basis for agricultural production only.

14. *Rights Retained by the Landowner.*

Subject to the terms of this Easement, as owner of the Property, the Landowner reserves all interests in the Property not transferred, conveyed, restricted, prohibited or extinguished by this Easement. These ownership rights include, but are not limited to, the right to sell, lease, or otherwise transfer the Property to anyone the Landowner chooses, as well as the right to privacy, the right to exclude any member of the public from trespassing on the Property, and any other rights consistent with the Purpose of this Easement. Nothing contained herein shall be construed as a grant to the general public of any right to enter upon any part of the Property.

Nothing in this Easement relieves the Landowner of any obligation or restriction on the use of the Property imposed by law.

15. *Mineral Rights.*

The parties acknowledge that all mineral rights are owned by the Landowner, as reflected in the title report.

16. *Hunting.*

The right to hunt in accordance with State Law. This right includes the right to clear brush to increase habitat for quail and other game and to lease the Property to others for hunting. This right also includes the right to trap and kill rodents, vermin and any

and all other animals that threaten any existing or authorized structure, or any agricultural or horticultural areas on the Property or that are attacking domestic animals.

17. Alteration of natural water courses.

The manipulation or alteration of any natural water feature, including, without limitation, any water course, wetland, stream bank, vernal pool, shoreline or body of water, and any activity or use detrimental to water quality, including but not limited to degradation, pollution of any surface or subsurface waters, or riprapping is prohibited.

18. Forest Management

Landowner may cut trees for firewood and other personal use, such as lumber for use on the Property. No clearcutting or over-harvesting allowed.

19. Irrigation Facilities

The right to construct, install, repair, replace, or maintain necessary facilities for agricultural irrigation, including pipes, pumps, utility lines, and access roads.

20. Responsibilities of the Landowner and the Grantee Not Affected.

Other than as specified herein, this Easement is not intended to impose any legal or other responsibility on the Grantee, or in any way to affect any existing obligation of the Landowner as owner of the Property. Among other things, this shall apply to:

- a) Taxes: The Landowner shall be solely responsible for payment of all taxes and assessments levied against the Property. If the Grantee ever pays any taxes or assessments on the Property, or if the Grantee pays levies on the Landowner's interest in order to protect Grantee's interests in the Property, the Landowner will reimburse the Grantee for the same. It is intended that this Easement constitute an enforceable restriction within the meaning of Article XIII, Section 8 of the California Constitution and that this Easement qualify as an enforceable restriction under the provisions of California Revenue and Taxation Code Sections 402.1(a)(8) and 423.
- b) Upkeep and Maintenance: The Landowner shall be solely responsible for the upkeep and maintenance of the Property, to the extent it may be required by law. The Grantee shall have no obligation for the upkeep or maintenance of the Property. If the Grantee acts to maintain the Property in order to protect the Grantee's interest in the Property, the Landowner will reimburse the Grantee for

any such costs.

c) **Liability and Indemnification:**

- (i) **Landowners.** In view of the Grantee's negative rights, limited access, to the land, and lack of active involvement in the day-to-day management activities on the Property, the Landowners shall hold harmless, indemnify, and defend, Grantee and its officers, directors, employees, contractors, legal representatives, agents, heirs, personal representatives, successors and assigns, and each of them (collectively, "Grantee Indemnified Parties") from and against any and all liabilities, penalties, costs, losses, damages, expenses (including, without limitation, reasonable attorneys' fees and experts' fees), causes of action, claims, demands, orders, liens or judgments (each a "Claim" and, collectively, "Claims"), arising from or in any way connected with any 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, regardless of cause, except that this indemnification shall be inapplicable to any Claim due to the negligence or willful misconduct of Grantee or any other Grantee Indemnified Party while acting under the authority of Grantee. The Grantee shall be named as an additional insured on Landowner's general liability insurance policy.
- (ii) **Grantee.** Grantee shall hold harmless, indemnify, and defend Landowners and their respective employees, contractors, legal representatives, agents, heirs, personal representatives, successors and assigns, and each of them (collectively "Landowners Indemnified Parties") from and against any and all Claims arising from or in any way connected with any 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 resulting from the negligence or willful misconduct of Grantee or any other Grantee Indemnified Party while acting under the authority of Grantee in connection with Grantee's entry on the Property, unless caused by a violation of the Easement by Landowner or by Landowner's negligence or willful misconduct.
- (iii) **Council.** In view of the Council's negative rights, limited access to the Property, and lack of active involvement in the day-to-day management activities on the Property, neither the Council, nor its agents and assigns, shall have responsibility for the operation of the Property, monitoring of hazardous conditions on it, or the protection of Landowners, the public, or any third parties from risks relating to conditions on the Property. Without limiting the foregoing, neither the Council nor its agents and assigns shall be liable to Landowners or other person or entity in connection with consents given or withheld, or in connection with any entry upon the Property occurring pursuant to this Easement, or on account of any Claim, liability, damage, or expense suffered or incurred by or threatened against Landowners or any other person or entity, except as the Claim, liability, damage, or

expense is the result of the negligence or willful misconduct of the Council and/or its agents and assigns.

21. Monitoring.

The Grantee shall manage its responsibilities as holder of this Easement in order to uphold the Purpose of this Easement. The Grantee's responsibilities include, but are not limited to, annual monitoring, such additional monitoring as circumstances may require, record keeping, and enforcement of this Easement, for the purpose of preserving the Property's agricultural productive capacity and open space character in perpetuity. Failure of the Grantee to carry out these responsibilities shall not impair the validity of this Easement or limit its enforceability in any way. With reasonable advance notice (except in the event of an emergency circumstance or prevention of a threatened breach), Grantee shall have the right to enter upon, inspect, observe, monitor and evaluate the Property to identify the current condition of, and uses and practices on the Property and to determine whether the condition, uses and practices are consistent with this Easement.

Grantee shall indemnify, defend with counsel of Landowner's choice, and hold Landowner harmless from, all expense, loss, liability, damages and claims, including Landowner's attorneys' fees, if necessary, arising out of Grantee's entry on the Property, unless caused by a violation of this Easement by Landowner or by Landowner's negligence or willful misconduct.

The Grantee shall report to the Council by June 30 of each year after the annual monitoring visit, describing method of monitoring, condition of the Property, stating whether any violations were found during the period, describing any corrective actions taken, the resolution of any violation, any requested or approved actions made in accordance with Section 4, and any transfer of interest in the Property. Failure to do so shall not impair the validity of this Easement or limit its enforceability in any way.

With reasonable notice and no more frequently than annually, Council or its designee may enter the property to verify compliance with the terms of the Easement. Grantor agrees to provide such access as is reasonable to verify compliance. As appropriate, Council will coordinate any site visits with any other funders or Grantee.

22. Enforcement.

The Grantee may take all actions that it deems necessary to ensure compliance with the terms, conditions, covenants, and purposes of this Easement. The Grantee shall have the right to prevent and correct violations of the terms, conditions, covenants, and purposes of this Easement. If the Grantee finds what it believes is a violation or potential violation, it may at its discretion take appropriate legal action to ensure compliance with the terms, conditions, covenants, and purposes of this Easement and shall have the right to correct violations and prevent the threat of violations. Except

when an ongoing or imminent violation could irreversibly diminish or impair the agricultural productive capacity and open space character of the Property, the Grantee shall give the Landowner written notice of the violation or potential violation, and thirty (30) days to correct it, before filing any legal action.

If a court with jurisdiction determines that a violation may exist, has occurred, or is about to occur, the Grantee may obtain an injunction, specific performance, or any other appropriate equitable or legal remedy, including (i) money damages, including damages for the loss of the agricultural conservation values protected by this Easement, (ii) restoration of the Property to its condition existing prior to such violation, and (iii) an award for all of the Grantee's expenses incurred in stopping and correcting the violation, including but not limited to reasonable attorney's fees. The failure of the Grantee to discover a violation or potential violation, or to take immediate legal action to prevent or correct a violation or potential violation known to the Grantee, shall not bar the Grantee from taking subsequent legal action. The Grantee's remedies under this section shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.

Without limiting the Landowner's liability, the Grantee shall apply damages recovered to the cost of undertaking any corrective action on the Property. Should the restoration of lost Conservation Values be impossible or impractical for whatever reason, the Grantee shall return to the Council its proportionate share of any and all damages recovered and not applied to corrective action to enhance or restore the property.

In the event the Grantee fails to enforce any term, condition, covenant or purpose of this Easement, as determined by the Council's Executive Director, the Executive Director and successors and assigns shall have the right to enforce the Easement after giving notice to the Grantee and the Landowner and providing a reasonable opportunity under the circumstances for the Grantee to enforce any term, condition, covenant, or purpose of the Easement. In the event that the Council's Executive Director has reasonable cause to suspect that the Grantee has failed to enforce any of the terms, conditions, covenants, or purposes of the Easement, the Council's Executive Director and successors and assigns shall be entitled to exercise the same right to enter the Property granted to the Grantee, including right of immediate entry in the event of an emergency or suspected emergency where the Council's Executive Director or successor or assign determines that immediate entry is required to prevent, terminate or mitigate a violation of this Easement.

Failure or refusal to exercise any rights under the terms of this Easement by the Grantee in the event of a violation by the Landowner of any term herein shall not constitute a waiver or forfeiture of the Grantee's right to enforce any term, condition, covenant, or purpose of this Easement.

23. Transfer of Easement.

This Easement may only be assigned or transferred to an entity authorized to hold such Easement as specified under Section 815.3 of the California Civil Code and that has similar purposes to preserve agricultural lands and open space. Such an assignment or transfer may proceed only if the entity expressly agrees to assume the responsibility imposed on the Grantee by the terms of this Easement and is expressly willing and able to hold this Easement for the Purpose for which it was created. All assignment and assumption agreements transferring the Easement shall be duly recorded in Nevada County within thirty (30) days.

If the Grantee should desire to assign or transfer this Easement, the Grantee must obtain written permission from the Council, which permission shall not be unreasonably withheld.

If the Grantee or its successors ever ceases to exist or no longer qualifies under Section 170(h) of the U.S. Internal Revenue Code, or applicable state law, the Council, in consultation with any other funders, shall identify and select an appropriate private or public entity to whom this Easement shall be transferred.

24. Perpetual Duration and No Merger of Title.

Pursuant to California Civil Code at Part 2, Chapter 4, (commencing with section 815), which defines and authorizes perpetual conservation easements; this Easement shall run with the land in perpetuity. Every provision of this Easement that applies to the Landowner or the Grantee shall also apply to their respective agents, heirs, executors, administrators, assigns, and all other successors as their interests may appear.

No merger of title, estate or interest shall be deemed effected by any previous, contemporaneous, or subsequent deed, grant, or assignment of an interest or estate in the Property, or any portion thereof, to the Grantee, or its successors or assigns. It is the express intent of the parties that this Easement not be extinguished by, merged into, modified, or otherwise deemed affected by any other interest or estate in the Property now or hereafter held by the Grantee or its successors or assigns.

25. Transfer of Property Interest.

Any time the Property itself, or any interest in it, is transferred by the Landowner to any third party, the Landowner shall notify the Grantee and the Council in writing at least thirty (30) days prior to the transfer of the Property or interest, and the document of conveyance shall expressly incorporate by reference this Easement. Any document conveying a lease of the Property shall expressly incorporate by reference this Easement. Failure of the Landowner to do so shall not impair the validity of this Easement or limit its enforceability in any way.

26. Amendment of Easement.

This Easement may be amended only with the written consent of the Landowner, the Grantee, and the Council's Executive Director. The Grantee must provide timely written notice to the Council's Executive Director of any proposed amendment(s). Any such amendment shall be consistent with the Purpose of this Easement and with the Grantee's easement amendment policies, and shall comply with all applicable laws, including Section 170(h) of the Internal Revenue Code, or any regulations promulgated in accordance with that section, and with Section 815 et seq. of the California Civil Code. No amendment shall diminish or affect the perpetual duration or the Purpose of this Easement, nor the status or rights of the Grantee under the terms of this Easement.

This Easement and any amendment to it shall be recorded in Nevada County. A copy of the recorded amendment shall be provided to the Council within thirty (30) days of recordation. Any purported amendment that is recorded without the prior approval of the Council is null and void.

27. Extinguishment, Termination, and Eminent Domain

a) Termination.

- (i) It is the intention of the parties that the Purpose of this Easement shall be carried out forever as provided in the Section 815 et seq. of the California Civil Code and the Program.

Accordingly, Landowner expressly waives on behalf of Landowner and Landowner's successors and assigns all rights to terminate or extinguish this Easement, or request that this Easement be terminated or extinguished pursuant to the administrative termination provisions set forth in Sections 10270 et. seq. of the Public Resources Code.

- (ii) If circumstances arise in the future that render the Purpose of this Easement impossible to accomplish, this Easement may be terminated or extinguished, whether in whole or in part, on the initiative of the Grantee or the Landowner, but only by judicial proceedings in a court of competent jurisdiction. The Grantee shall give notice to the Council of any prospective termination or extinguishment of this Easement not less than 60 business days before initiating such proceedings. The Council may intervene in any such judicial proceedings to protect or retain this Easement.
- (iii) No inaction or silence by the Grantee shall be construed as abandonment of the Easement. The fact that the Property is not in agricultural use, or that agricultural use is no longer possible, is not reason for termination or extinguishment of this Easement so long as the Purpose of this Easement remains possible to accomplish. Other than pursuant to eminent domain or an involuntary acquisition for a necessary public use by public agency, corporation, or other entity or individual with the power of eminent domain

(Acquiring Entity), no other voluntary or involuntary sale, exchange, conversion, transfer, assignment, lease, mortgage or other encumbrance, alienation or conveyance of any kind of all or part of the Property, or of any interest in it, shall limit, terminate or extinguish the provisions of this Easement.

- (iv) Should all or part of the Property or any interest in it be proposed for acquisition for a necessary public use by an Acquiring Entity, the Landowner and the Grantee shall join in appropriate actions to recover the full value of the proposed acquisition and all incidental or direct damages resulting from the proposed acquisition as well as all other payments to which they may be entitled by law (Compensation). The Acquiring Entity shall pay Compensation directly to the Landowner and the Grantee. The Compensation of such proceeding of the Landowner and the Grantee shall be divided in accordance with the proportionate values of the Landowner's and the Grantee's interests as specified in this Section 22(b), unless otherwise provided by applicable law.
- (v) If the Landowner receives notice, formal or informal, that any Acquiring Entity intends to exercise its power of eminent domain as to the Property or any portion thereof or any interest therein, Landowner shall promptly, and in any event not less than fifteen (15) business days after receipt of such notice, give written notice to the Grantee and the Council of such receipt together with a copy of any and all communications related to such prospective eminent domain proceedings. The Landowner shall thereafter promptly provide to the Grantee and the Council copies of all further communications related to such proceedings and cooperate with the Grantee and the Council in responding to such proceedings.
- (vi) This Easement was acquired in whole or in part with government funds. Acquisition of the Easement through the power of eminent domain must comply with the eminent domain laws of the State of California, including Section 1240.220, Section 1240.510 and Section 1240.610 of the Code of Civil Procedure, federal law, and this Easement. Purchase in lieu of condemnation, or settlement of an eminent domain proceeding, shall occur pursuant to applicable laws and procedures, including but not limited to California Government Code sections 7267.1 and 7267.2, and shall require approval of the Grantee, and the Council. The Grantee and the Council shall have an opportunity to accompany the appraiser for the Acquiring Entity when the appraiser goes on the Property with Landowner.
- (vii) Should this Easement be condemned or otherwise terminated on any portion of the Property, the balance of the Property shall remain subject to this Easement and reimbursement shall be pro-rated. In this event, all relevant related documents shall be updated and re-recorded by the Grantee to reflect the modified easement area. Encumbrances junior to this Easement shall

remain subordinate to the Easement as amended.

b) Compensation.

- (i) The grant of this Easement gives rise to a property right immediately vested in Grantee.
- (ii) Compensation of the Grantee and the Council shall proceed as follows. The value of the Easement terminated or extinguished shall be determined in accordance with this Section 22(b), and the Grantee shall receive from the Landowner the entire value of the Easement to the extent terminated or extinguished. Until such compensation is paid to the Grantee in full, the amount of that compensation shall be a first priority lien on the Property with the same seniority as this Easement.
- (iii) This Easement shall not be deemed terminated or extinguished until such payment is received by the State of California, Sustainable Agricultural Lands Conservation Program. The Council, in using any proceeds received, shall use the funds in accordance with the intent of the Program.
- (iv) Any compensation or proceeds paid to the Grantee for the taking by eminent domain or by purchase in lieu of eminent domain of all or any portion of this Easement, whether by agreement, by court order or otherwise, shall be allocated between the Grantee and the Council proportionately to the contribution each made to the purchase of this Easement as specified below:
The proportionate shares for this Easement are:
10% Grantee and 90% Council.
- (v) As of the Effective Date and based on the appraisal relied upon to fund the acquisition of this Easement, "Easement Percentage" is hereby defined and established as the ratio of the value of the Easement at the time of this acquisition to the value of the Property, unencumbered by the Easement, at the time of this acquisition. This Easement Percentage shall remain constant.

The Easement Percentage on this Property is: .

- (vi) The parties stipulate and agree that the Easement shall have a fair market value determined as the greater of:

The fair market value of the Property, as though unencumbered by this Easement, at the time of the proposed termination, multiplied by the Easement Percentage; or

The fair market value of the Easement at the time of the proposed termination.

- (A) The fair market valuation shall be determined by an appraisal performed by a qualified appraiser jointly selected by the Landowner, the Grantee and the Council. Appraisals shall conform to the Uniform Standards of Professional Appraisal Practices.
- (B) If the Landowner has initiated termination of the Easement through a judicial proceeding, the Landowner shall pay the cost of the appraisal, and the appraisal is subject to approval by the Council. Nothing herein shall prevent the Landowner, the Grantee, or the Council from having an appraisal prepared at its own expense.
- (vii) If the Grantee obtains payment on a claim under a title insurance policy insuring this Easement, payment shall be distributed as set forth this Section 22(b).

28. Federal Tax Items

a) Grantee is authorized to hold this Easement pursuant to California Civil Code Section 815.3 and Government Code Section 65965. Specifically, Grantee is (i) a tax-exempt nonprofit organization qualified under section 501(c) (3) of the Internal Revenue Code of 1986, as amended, and qualified to do business in California; (ii) a “qualified organization” as defined in section 170(h)(3) of the Internal Revenue Code; and (iii) an organization which has as its primary and principal purpose and activity the protection and preservation of natural lands or resources in its natural, scenic, agricultural, forested, or open space condition or use.

b) Grantee provides no representation of tax benefits. The undersigned Landowner represents, warrants, and covenants to Grantee that:

(i) The undersigned Landowner has not relied upon information or analyses furnished by Grantee with respect to either the availability, amount, or effect of a deduction, credit, or other benefit to Landowner under applicable law; or the value of the Easement or the Property.

(ii) The undersigned Landowner has relied solely upon its own judgment and/or professional advice furnished by the appraiser and legal, financial, and accounting professionals engaged by the undersigned Landowner. If a person providing services in connection with this Grant or the Property was recommended by Grantee, the undersigned Landowner acknowledges that Grantee is not responsible in any way for the performance of services by these persons.

(iii) This Grant is not conditioned upon the availability or amount of a deduction, credit, or other benefit under applicable law.


29. Interpretation.

- a) This Easement shall be interpreted under the laws of the State of California, resolving any ambiguities and questions of the validity of specific provisions so as to give maximum effect to its conservation purposes.
- b) References to specific authorities in this Easement shall be to the statute, rule, regulation, ordinance, or other legal provision that is in effect at the Effective Date.
- c) No provision of this Easement shall constitute governmental approval of any improvements, construction or other activities that may be permitted under this Easement.

30. *Notices.*

Any notices to the Landowner and the Grantee required by this Easement shall be in writing and shall be personally delivered or sent by First-Class Mail to the following addresses, unless a party has been notified by the other of a change of address:

To the Landowner:

Carl and Kathy Niesen 
16735 Rough and Ready Hwy
Rough And Ready, CA 95975

To the Grantee:

Bear Yuba Land Trust
PO Box 1004
Grass Valley, CA 95945

Any notices required by this Easement to be sent to the Council shall be in writing and shall be personally delivered or sent by First-Class mail, at the following address, unless a party has been notified by the Council of a change of address:

To the Council:

Strategic Growth Council
C/O California Department of Conservation, Division of Land Resource
Protection
715 P Street, MS 1904
Sacramento, CA 95814
Attn: Sustainable Agricultural Land Conservation Program

31. *The Landowner's Environmental Warranty.*

- a) Nothing in this Easement shall be construed as giving rise to any right or ability in the Grantee or the Council to exercise physical or management control over the day-to-day operations of the Property, or any of the Landowner's activities on the Property, or otherwise to become an "owner" or "operator" with respect to the Property as those words are defined and used in Environmental Laws, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA"), as amended or any corresponding state and local statute or ordinance.
- b) The Landowner warrants that it has no actual knowledge of a release or threatened release of any Hazardous Materials on, at, beneath or from the Property. Moreover, the Landowner hereby promises to defend and indemnify the Grantee and the Council and its agents and assigns against all litigation, claims, demands, penalties and damages, including reasonable attorneys' fees, arising from or connected with the release or threatened release of any Hazardous Materials on, at, beneath or from the Property, or arising from or connected with a violation of any Environmental Laws by the Landowner or any other prior owner of the Property. The Landowner's indemnification obligation will not be affected by any authorizations provided by the Grantee to the Landowner with respect to the Property or any restoration activities carried out by the Grantee at the Property; provided, however, that the Grantee will be responsible for any Hazardous Materials contributed after the Effective Date to the Property by the Grantee.
- c) The Landowner warrants that it is in compliance with, and will remain in compliance with, all applicable Environmental Laws. The Landowner warrants that there are no notices by any governmental authority of any violation or alleged violation of, noncompliance or alleged noncompliance with or any liability under any Environmental Law relating to the operations or conditions of the Property.
- d) "Environmental Law" or "Environmental Laws" means any and all federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, guidelines, policies, or requirements of any governmental authority regulating or imposing standards of liability or standards of conduct (including common law) concerning air, water, solid waste, Hazardous Materials, worker and community right-to-know, hazard communication, noise, radioactive material, resource protection, subdivision, inland wetlands and watercourses, health protection, and similar environmental health, safety, building and land use as may now or at any time hereafter be in effect.
- e) "Hazardous Materials" means any petroleum, petroleum products, fuel oil, waste oils, explosives, reactive materials, ignitable materials, corrosive materials, hazardous chemicals, hazardous wastes, hazardous substances, extremely hazardous substances, toxic substances, toxic chemicals, radioactive materials, infectious materials, and any other element, compound, mixture, solution or substance that may pose a present or potential hazard to human health or the

environment or any other material defined and regulated by Environmental Laws.

- f) If at any time after the Effective Date of this Easement there occurs a release, discharge or other incident in, on, or about the Property of any substance now or hereafter defined, listed, or otherwise classified pursuant to any federal, state, or local law, regulation, or requirement as hazardous, toxic, polluting, or otherwise contaminating to the air, water, or soil, or in any way harmful or threatening to human health or the environment, the Landowner agrees to take any steps that are required of the Landowner with respect thereto under federal, state, or local law necessary to ensure its containment and remediation, including any cleanup.

32. The Landowner's Title Warranty; No Prior Conservation Easements.

The Landowner represents and warrants that it owns the entire fee simple interest in the Property, including the entire mineral estate except as otherwise identified in this Easement, and hereby promises to defend this Easement against all claims that may be made against it.

Any and all financial liens or financial encumbrances with priority over this Easement existing as of the date of the recording of this Easement have been subordinated.

Exhibit D (Prior Encumbrances) sets forth all prior encumbrances.

The Landowner represents and warrants that the Property is not subject to any restrictions or easements other than what is identified in Exhibit E.

33. Granting Subsequent Easements, Interests in Land, or Use Restrictions.

- a) With permission of the Grantee pursuant to Section 4, the Landowner may grant subsequent easements, including conservation easements, interests in land, or use restrictions on the Property. Under no circumstances shall the Grantee approve the granting of subsequent easements, interests in land, or use restrictions that might diminish or impair the agricultural productive capacity or open space character of the Property.
- b) The Grantee's written approval shall be obtained at least thirty (30) days in advance of the Landowner's execution of any proposed subsequent easement, interests in land, or use restriction on the Property, and such subsequent easements, interests in land, and use restrictions shall make reference to and be subordinate to this Easement.
- c) The Grantee shall notify the Council immediately upon receipt of request by the Landowner to grant a subsequent easement, interest in land, or use restriction on the Property, and provide copies of documents associated with such a request to the Council.
- d) The Grantee shall notify the Council in the event that it approves the grant of any subsequent easement, interest in land, or use restriction on the Property, and shall

provide copies of the recorded documents in that year's annual report unless otherwise requested.

34. Severability.

If any term, provision, covenant, condition, or restriction of this Easement is held by a court of competent jurisdiction to be unlawful, invalid, void, unenforceable, or not effective the remainder of this Easement shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

35. Execution Before a Notary Public and Recordation.

All signatures of the Parties and all documents executed pursuant to this Easement and any amendments shall be acknowledged before a Notary Public, and a certificate of acknowledgement shall be attached.

This Easement and any amendment and related documents shall be recorded in the Office of the Recorder of Nevada County, California.

36. Counterparts.

This Easement may be executed in any number of counterparts and each executed counterpart shall have the same force and effect as an original and as if all of the parties to the aggregate counterparts had signed the same instrument.

37. Effective Date.

The Effective Date is the date of the signature of the final party to sign.

38. Entire Agreement.

This Easement, including the attached exhibits and the Baseline Report, is the final and complete expression of the agreement between the parties with respect to the subject matter contained herein. Any and all prior or contemporaneous agreements with respect to this subject matter, written or oral, are merged into and superseded by this written instrument.

The exhibits attached to and included in this Easement are:

- Exhibit A - Legal Description
- Exhibit B - Vicinity Map
- Exhibit C - Building Envelope and Existing Improvements
- Exhibit D - Future Building Envelope Location Options
- Exhibit E - Prior Encumbrances

39. Grantee Acceptance of Conveyances and Consent to Recording.

By execution of this agreement, the Grantee acknowledges it is authorized by Grantee's Board of Directors/Trustees, and Grantee hereby accepts without reservation the rights and responsibilities conveyed by this Deed of Agricultural Conservation Easement and consents to the recording of the conveyances and other documents executed pursuant to this Easement..

To Have and To Hold, this Deed of Agricultural Conservation Easement unto the Grantee, its successors and assigns, forever.

In Witness Whereof, the Landowner and the Grantee, intending to legally bind themselves, have set their hands on the date first written above.

LANDOWNER

Carl D. Niesen Aka C. Duane Niesen And Kathryn J. Niesen, Husband And Wife, As Joint Tenants

By: _____



Name: Carl D. Niesen

Title: _____

Date: _____

By: _____

Name: Kathryne J. Niesen

Title: _____

Date: _____

GRANTEE

Bear Yuba Land Trust, a California nonprofit public benefit corporation

By: _____

Name: Kathryn McCamant

Title: Board President

Date: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Nevada

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

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

WITNESS my hand and official seal.

Signature _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Nevada

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

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

WITNESS my hand and official seal.

Signature _____

Exhibit A
(Legal Description)

ALL THAT PORTION OF SECTIONS 34 AND 35, TOWNSHIP 16 NORTH, RANGE 7 EAST, M.D.M., NEVADA COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF THE PARCEL HEREIN DESCRIBED AS MARKED BY A DRILL STEEL, FROM WHICH THE EAST QUARTER SECTION CORNER OF SAID SECTION 35 BEARS THE FOLLOWING TWO CONSECUTIVE COURSES, TO WIT; S01 DEGREES 31' 10" E, 1,074.99 FEET AND N87 DEGREES 35' 24" E, 1,294.67 FEET AND RUNNING THENCE FROM SAID POINT OF BEGINNING S01 DEGREES 31' 10" E, 550.49 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE STATE ROUTE 20, THENCE ALONG SAID RIGHT- OF-WAY LINE IN A WESTERLY DIRECTION S88 DEGREES 37' 49" W, 199.55 FEET, N74 DEGREES 38' 30" W, 344.00 FEET, N79 DEGREES 59' 01" W, 717.84 FEET, N84 DEGREES 46' 43" W, 374.84 FEET, S77 DEGREES 54' 21" W, 266.63 FEET TO THE BEGINNING OF A CURVE TO THE LEFT OF A RADIUS OF 3,500.00, THENCE ALONG SAID CURVE THROUGH AN ARC OF 11 DEGREES 57' 40" FOR A DISTANCE OF 730.66 FEET TO THE END THEREOF, THENCE S59 DEGREES 36' 08" W, 364.81 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT OF RADIUS OF 3,900.00, THENCE ALONG SAID CURVE THROUGH AN ARC OF 22 DEGREES 11' 39" FOR A DISTANCE OF 1,510.71 FEET TO THE END THEREOF, THENCE S89 DEGREES 40' 40" W, 62.11 FEET THENCE LEAVING SAID RIGHT-OF-WAY LINE N35 DEGREES 14' 00" E, 99.86 FEET, N14 DEGREES 53' 00" E, 287.15 FEET, N02 DEGREES 06' 00" W, 432.54 FEET TO A POINT ON THE ROUGH & READY HIGHWAY, THENCE ALONG SAID HIGHWAY N28 DEGREES 53' 00" E, 272.14 FEET, N32 DEGREES 00' 00" E, 600.01 FEET, N44 DEGREES 53' 00" E, 666.86 FEET, THENCE LEAVING SAID HIGHWAY S74 DEGREES 21' 16" E, 3,462.27 FEET TO THE POINT OF BEGINNING.

APN: 053-150-028-000

Exhibit B (Vicinity Map)

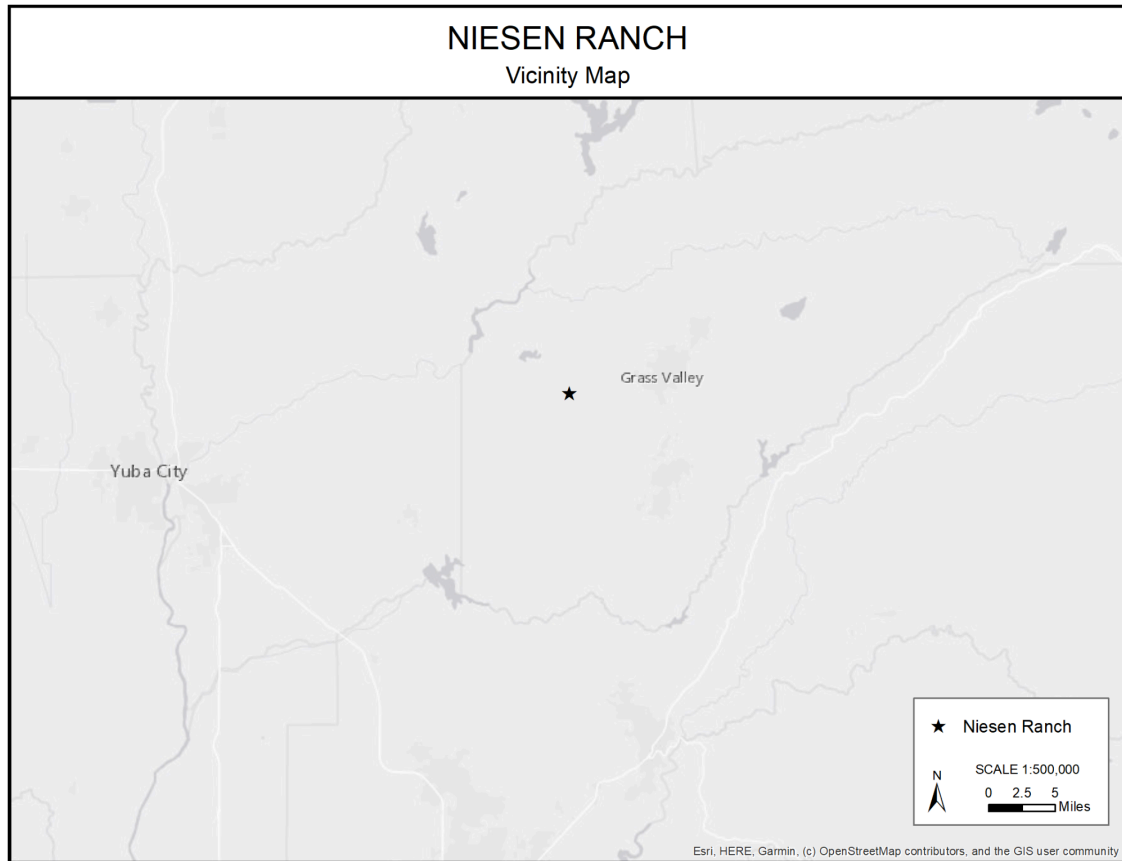
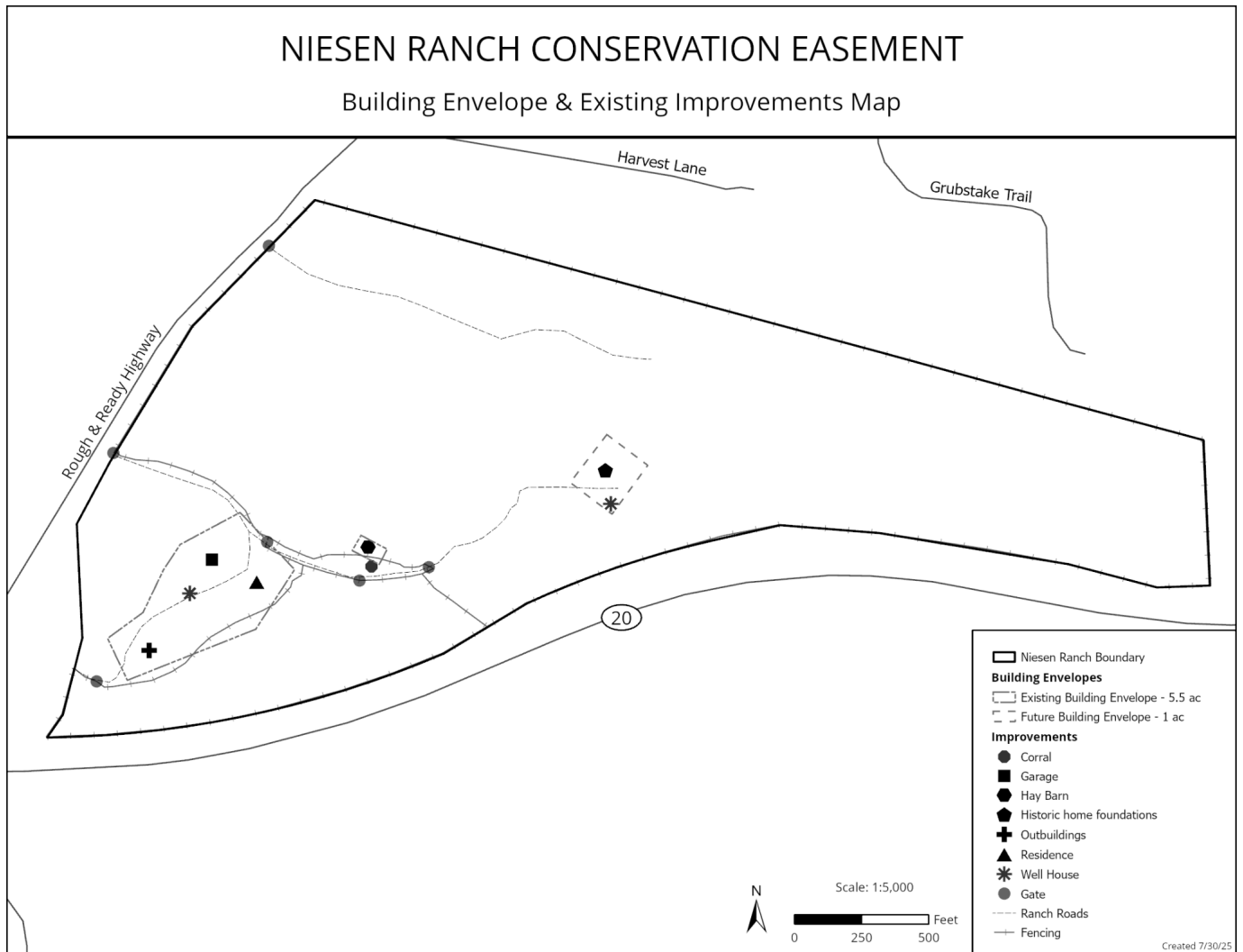


Exhibit C (Building Envelope and Existing Improvements)



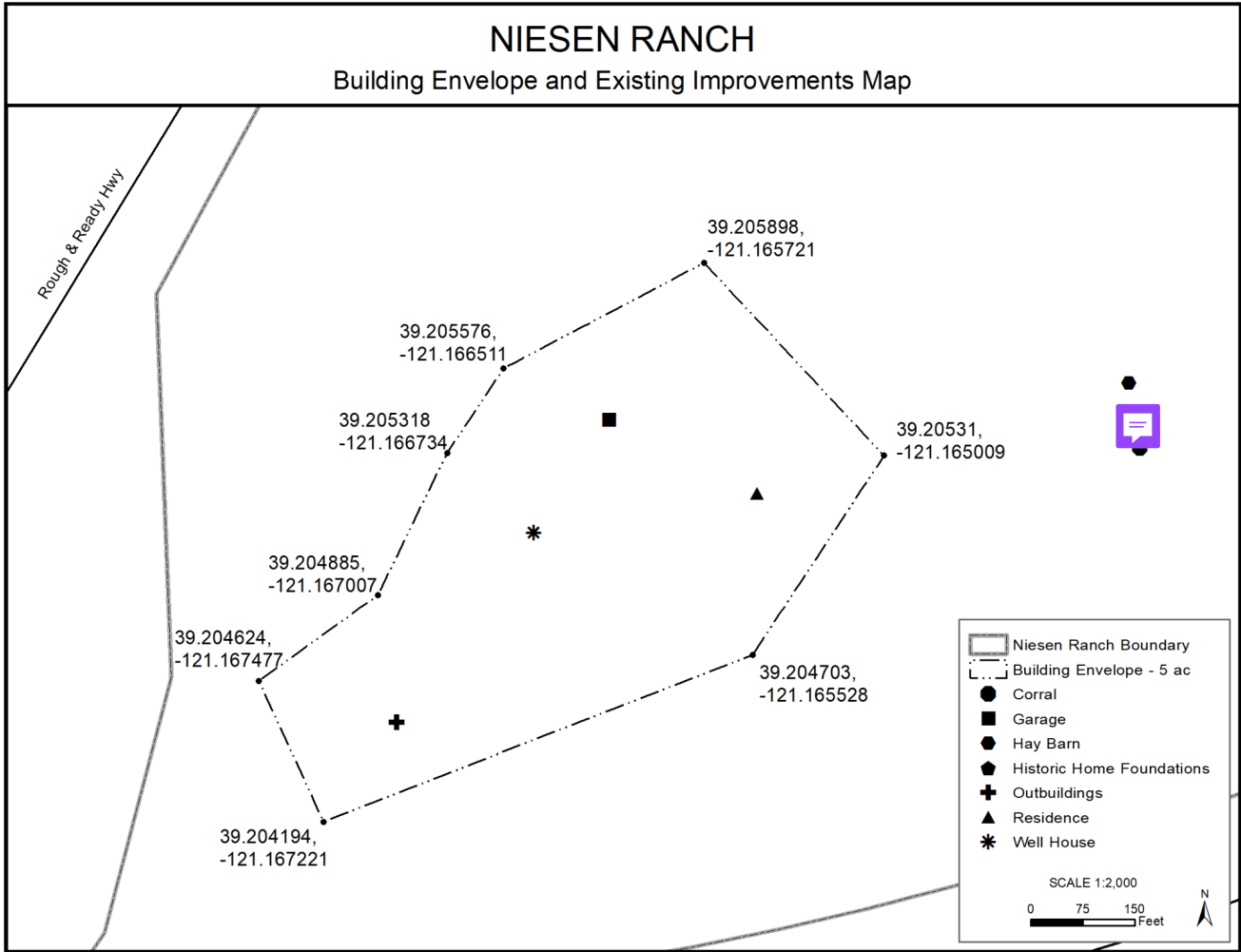


Exhibit D (Future Building Envelope Locations)

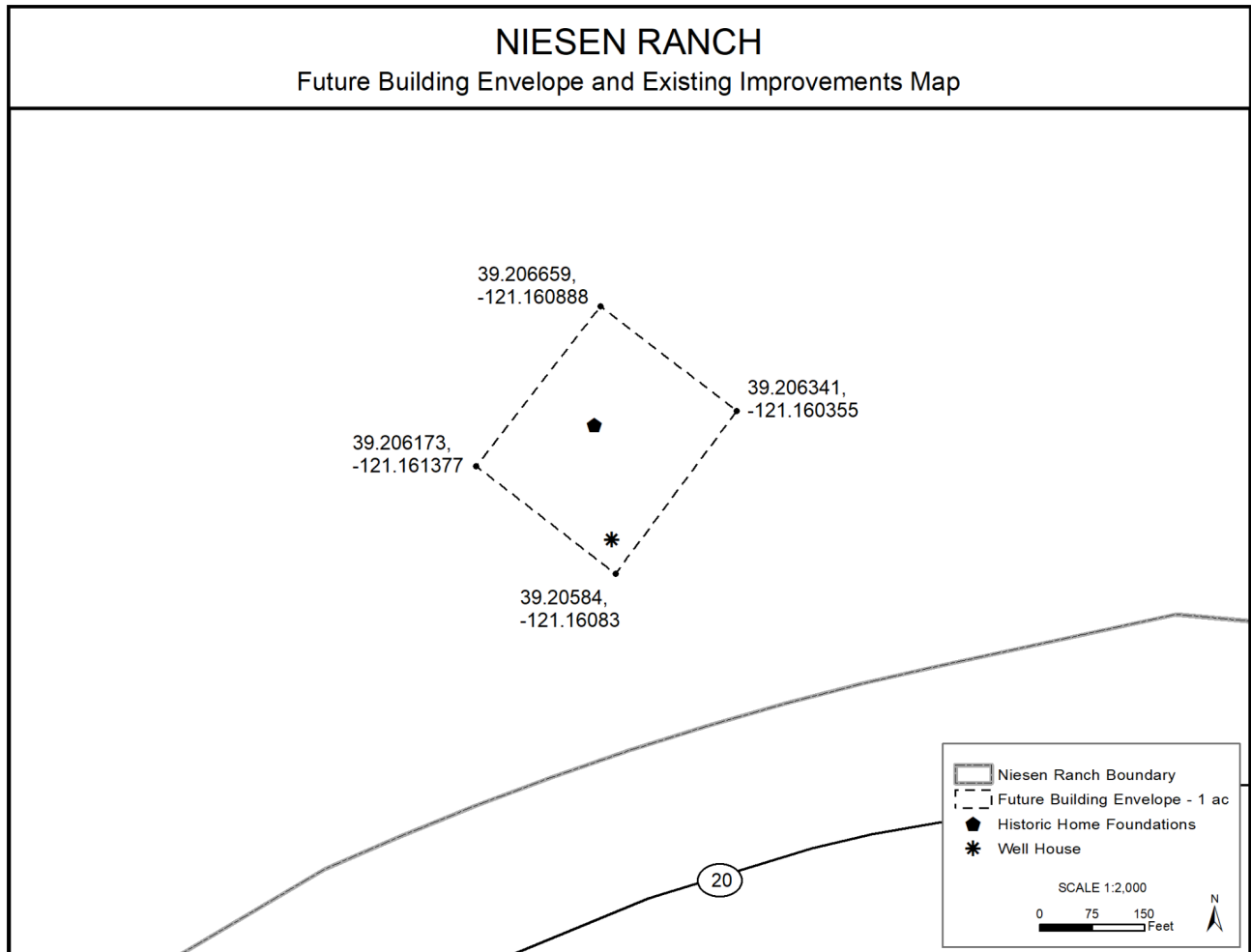


Exhibit E
(Prior Encumbrances)

1. General and special taxes and assessments for the fiscal year 2022-2023, a lien not yet due or payable.
2. Taxes and assessments, if any, of the NEVADA IRRIGATION District.
3. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
4. ANY EASEMENT OR LESSER RIGHTS WHICH MAY BE CLAIMED AS TO A PORTION OF SAID LAND BY THE OWNERS OR USERS, INCLUDING ANY RIGHTS INCIDENTAL THERETO WHICH MAY BE ASCERTAINED BY MAKING INQUIRY OF SUCH OWNERS OR USERS,
FOR: NIES CLIFF LANE.

AFFECTS: STRIPS OF LAND TRAVERSING VARIOUS PORTIONS. AS
DISCLOSED BY: NEVADA COUNTY ASSESSORS MAP.

5. An easement for QUINCY DITCH and incidental purposes, recorded April 10, 1888 as BOOK 71, PAGE 211 of Official Records.
In Favor of: EXCELSIOR WATER AND MINING COMPANY, A
CORPORATION Affects: SOUTHERLY PORTION
The location of the easement cannot be determined from record information.
6. An easement for PUBLIC UTILITIES and incidental purposes, recorded November 23, 1936 as BOOK 36, PAGE 129 of Official Records.
In Favor of: PACIFIC GAS AND ELECTRIC COMPANY
Affects: AS DESCRIBED THEREIN
7. An easement for DITCH and incidental purposes in the document recorded December 9, 1940 as BOOK 64, PAGE 344 of Official Records.
The location of the easement cannot be determined from record information.
8. A waiver of any claims for damages by reason of the location, construction, landscaping or maintenance of a contiguous freeway, highway or roadway, as contained in the document recorded November 9, 1962 as BOOK 326, PAGE 106 of Official Records.
9. An easement for PUBLIC UTILITIES and incidental purposes, recorded December 19, 1966 as BOOK 413, PAGE 72 of Official Records.
In Favor of: PACIFIC GAS AND ELECTRIC COMPANY
Affects: AS DESCRIBED THEREIN
Terms and provisions contained in the above document.
10. An easement for PUBLIC UTILITIES and incidental purposes, recorded February 20, 1970 as BOOK 503, PAGE 390 of Official Records.
In Favor of: THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY

Affects: AS DESCRIBED THEREIN

11. Abutter's rights of ingress and egress to or from FREEWAY have been relinquished in the document recorded June 21, 1982 as INSTRUMENT NO. 82-14123 AND 82-14124, BOTH of Official Records.
12. The effect of a map purporting to show the land and other property, filed JUNE 11, 1999 IN BOOK 12, PAGE 120 of Record of Surveys.
13. The terms and provisions contained in the document entitled "NOTICE OF AN INDEPENDENT SOLAR ENERGY PRODUCER CONTRACT" recorded APRIL 04, 2012 as INSTRUMENT NO. 2012-0008793 of Official Records.
14. The Solar Energy System, if any, located on the Land being owned by an Independent Solar Energy Producer.
15. A Deed of Trust to secure an original indebtedness of \$311,000.00 recorded January 13, 2022 as INSTRUMENT NO. 2022-001105 of Official Records.

Dated: January 08, 2022
Trustor: CARL D. NIESEN AKA C. DUANE NIESEN AND KATHRYNE J. NIESEN, HUSBAND AND WIFE, AS JOINT TENANTS
Trustee: HEATHER LOVIER
Beneficiary: Mortgage Electronic Registration Systems, Inc., as nominee for
Lender: ROCKET MORTGAGE, LLC., FKA QUICKEN LOANS, LLC, A LIMITED LIABILITY COMPANY ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF MICHIGAN
16. Rights of the public in and to that portion of the Land lying within any Road, Street, Alley or Highway.
17. Water rights, claims or title to water, whether or not shown by the Public Records.
18. Any claim that any portion of the land is below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline or riverbank.
19. Any rights, interests, or easements in favor of the public, which exist or are claimed to exist over any portion of said land covered by water, including a public right of access to the water.
20. Any claim that any portion of the land is or was formerly tidelands or submerged lands.
21. Rights of parties in possession.
22. The effect of a document entitled "TRUST TRANSFER DEED", recorded May 16, 2022 as INSTRUMENT NO. 2022-10546 of Official Records.

THE REQUIREMENT THE DOCUMENT IS RE-RECORDED TO INCLUDE
A COMPLETE AND CORRECT LEGAL DESCRIPTION.