

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works		(2) MEETING DATE February 7, 2006		(3) CONTACT/PHONE Dan Manion, Development Services Division (805) 781-5275	
(4) SUBJECT The following Tract Map has been received and has satisfied all the conditions of approval that were established in the public hearing on its Tentative Map: A. Tract 2341-Unit 2, a proposed subdivision resulting in 160 lots, by Woodlands Ventures LLC, Dawn Road at Via Concha, Nipomo Mesa. Supervisorial District: 4 1. Reject the Offer of Dedication for streets, pedestrian access and drainage, without prejudice to future acceptance. 2. Act on the attached Resolution to approve an Open Space Easement Agreement.					
(5) SUMMARY OF REQUEST The above-listed Tract Map has satisfied all the conditions of approval that were established in the public hearing on its Tentative Map. Your Board is requested to approve the Tract Map and the related listed actions, so that the subdivision may go forward for recordation.					
(6) RECOMMENDED ACTION We recommend that your Board approve the final map and any related actions listed above.					
(7) FUNDING SOURCE(S) N/A		(8) CURRENT YEAR COST N/A		(9) ANNUAL COST N/A	
(10) BUDGETED? <input type="checkbox"/> YES <input checked="" type="checkbox"/> N/A <input type="checkbox"/> NO					
(11) OTHER AGENCY/ADVISORY GROUP INVOLVEMENT (LIST): Planning & Building, Clerk-Recorder, Local advisory council - referred					
(12) WILL REQUEST REQUIRE ADDITIONAL STAFF? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, How Many? _____ <input type="checkbox"/> Permanent _____ <input type="checkbox"/> Limited Term _____ <input type="checkbox"/> Contract _____ <input type="checkbox"/> Temporary Help _____					
(13) SUPERVISOR DISTRICT(S) 4th			(14) LOCATION MAP <input checked="" type="checkbox"/> Attached <input type="checkbox"/> N/A		
(15) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Presentation <input type="checkbox"/> Board Business (Time Est. _____)			(16) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions (Orig + 4 copies) <input type="checkbox"/> Contracts (Orig + 4 copies) <input type="checkbox"/> Ordinances (Orig + 4 copies) <input type="checkbox"/> N/A		
(17) NEED EXTRA EXECUTED COPIES? <input type="checkbox"/> Number: _____ <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A			(18) APPROPRIATION TRANSFER REQUIRED? <input type="checkbox"/> Submitted <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A		

Reference: 06FEB7-C-11

T:\BOARD\CVR\onetractmapappr.cvr.wpd

(19) ADMINISTRATIVE OFFICE REVIEW	<p><i>OK Leslie Brown</i></p>	<p><i>B-23 CA-7100</i></p>
-----------------------------------	-------------------------------	--------------------------------



SAN LUIS OBISPO COUNTY DEPARTMENT OF PUBLIC WORKS

Noel King, Director

County Government Center, Room 207 • San Luis Obispo CA 93408 • (805) 781-5252

Fax (805) 781-1229

email address: pwd@co.slo.ca.us

TO: Board of Supervisors

FROM: Dan Manion, Development Services Division *DM*

VIA: Glen L. Priddy, County Surveyor *GLP*

DATE: February 7, 2006

SUBJECT: Map for Board Action

Recommendation

We recommend that your Honorable Board:

- A. Approve Tract 2341-Unit 2, a proposed subdivision resulting in 160 lots, by Woodlands Ventures LLC, Dawn Road at Via Concha, Nipomo Mesa.
- Supervisorial District: 4**
1. Reject the Offer of Dedication without prejudice to future acceptance of streets, pedestrian access, and drainage.
 2. Act on the attached Resolution to approve an Open Space Easement Agreement as recommended in the attached memorandum from the Department of Planning and Building. The parent parcel of land is 3.58 acres and the open space easement is 40.91 acres.

Discussion

The above map was processed by the County Planning Department with input from County Fire, County Public Works, Environmental Health, the Air Pollution Control District, the Sheriff's Department and other affected County Departments as well as California Department of Transportation (Caltrans), and local cities and service districts.

At a public hearing, the Subdivision Review Board granted tentative approval to the proposed lot line adjustment, parcel map, or the Planning Commission granted tentative approval to the proposed tract map. All proposed real property divisions are subject to a number of conditions of approval. The project's owner has satisfied the conditions.

*B-23
2*

The Real Property Division Ordinance requires that when the conditions of approval have been met, and when an adequate final or parcel map that is substantially in conformance with the design of the tentative map has been submitted to the County Surveyor, the County Surveyor will transmit the map with his approval and certification to the County Clerk awaiting your Board's approval to record the map. Section 21.06.050 of the County Code requires your Board to approve the map if it is determined to be in conformity with the Real Property Division Ordinance and the Subdivision Map Act. Your Board must also accept or reject any offers of dedication.

Other Agency Involvement/Impact

The Clerk is to hold the map until your Board approves it. The Clerk also certifies the Board's approval, arranges receipt of the recording fee and after the signatures and seals have been affixed, transmits the map to the County Recorder. The County Recorder certifies and files the map and/or a resolution of acceptance as prescribed by the Subdivision Map Act.

Financial Considerations

As there is no acceptance of a road into the County maintained road system, there will be no ongoing cost to the County associated with this action. All costs related to the processing of this item have been paid by the applicant(s).

Results

Approval of the recommended action will allow the subdivision map to be filed in the office of the County Recorder.

Attachments: Open Space Agreement and Resolution
 Vicinity Map

File: Tract 2341-Unit 2

Reference: 06FEB7-C-11

L:\DEVELOP\FEB06\BOS\MAP 2-7-06-BLT.wpd.CAH.djm

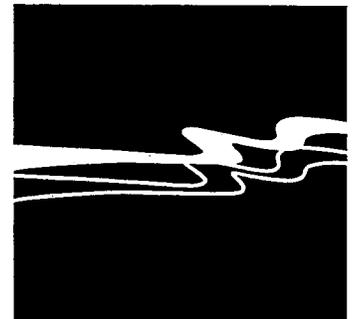
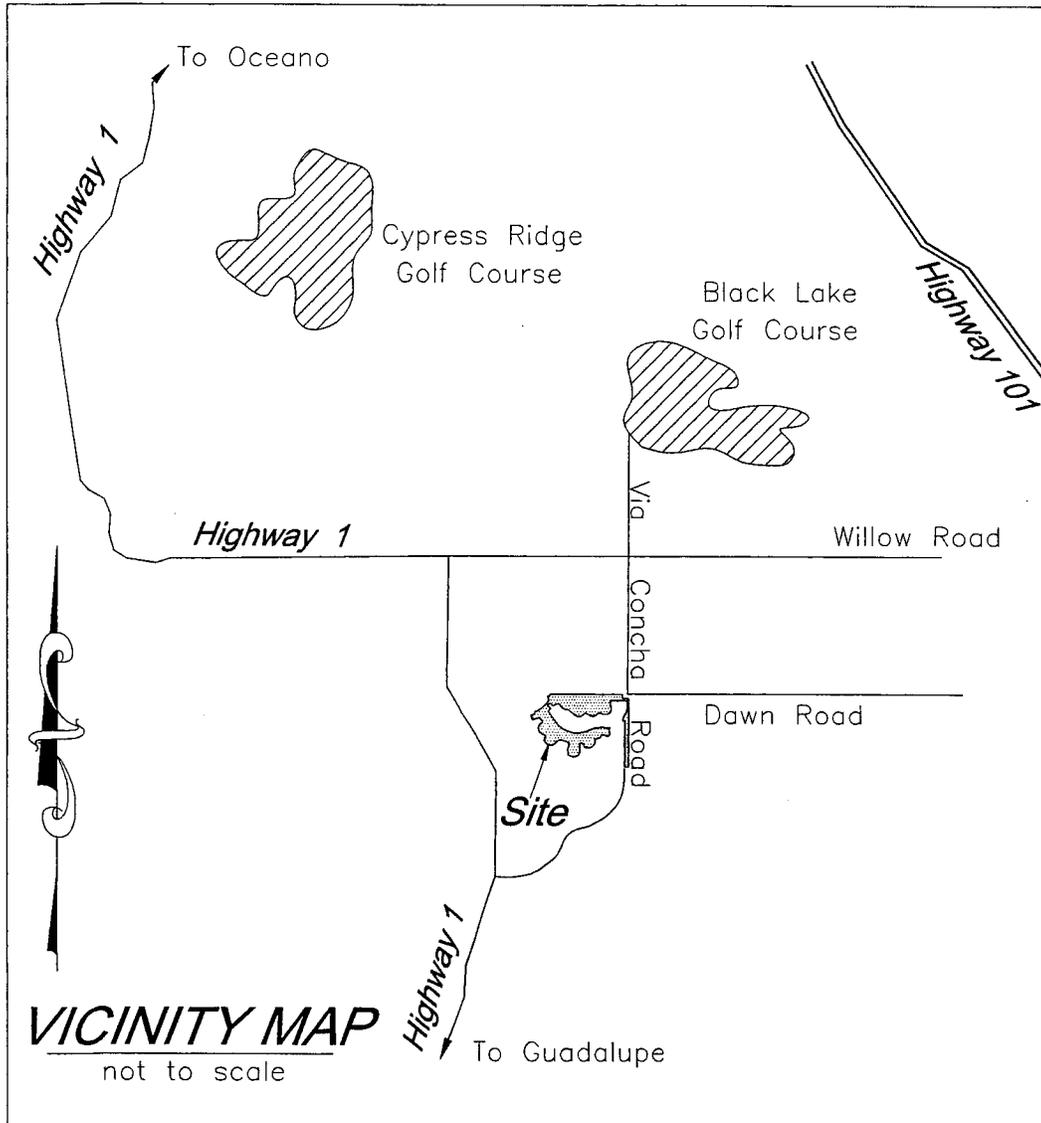
B-23
3

ITEM A

TRACT 2341-UNIT 2

B-23
4

WOODLANDS TRACT 2341 UNIT 2 VICINITY MAP

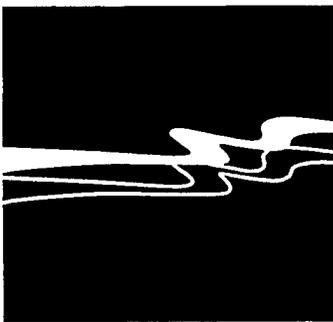
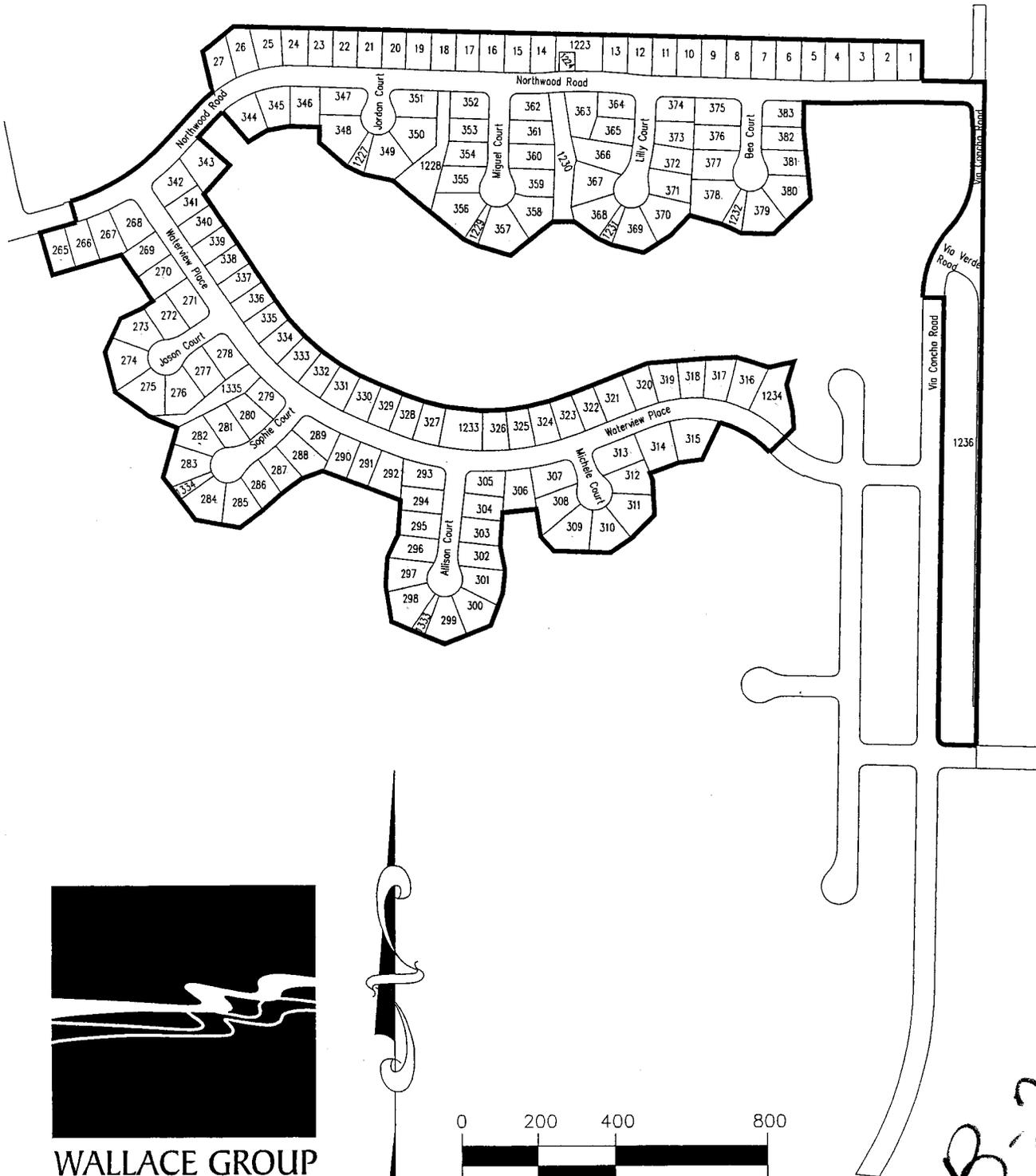


WALLACE GROUP

4115 BROAD STREET, SUITE B-5
SAN LUIS OBISPO, CA 93401
T 805 544-4011 F 805 544-4294
www.wallacegroup.us

B-23
D

WOODLANDS TRACT 2341 UNIT 2 LAYOUT MAP



WALLACE GROUP

4115 BROAD STREET, SUITE B-5
 SAN LUIS OBISPO, CA 93401
 T 805 544-4011 F 805 544-4294
www.wallacegroup.us



1 inch = 400 feet

B-23
6

IN THE BOARD OF SUPERVISORS
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

_____ day _____, 20__

PRESENT: Supervisors

ABSENT:

RESOLUTION NO. ____

RESOLUTION APPROVING AND ACCEPTING AN OPEN-SPACE AGREEMENT
GRANTING AN OPEN-SPACE EASEMENT TO THE
COUNTY OF SAN LUIS OBISPO (BUFFER LOTS)
BY WOODLANDS VENTURES, LLC, A DELAWARE LIMITED LIABILITY COMPANY

The following resolution is now offered and read:

WHEREAS, the County of San Luis Obispo has been duly requested to approve and accept a certain grant and offer to dedicate to the County of San Luis Obispo as open-space that certain real property described in the open-space agreement attached hereto and made a part hereof; and

WHEREAS, the Director of Planning and Building by letter dated _____, 20__, has duly recommended that the Board of Supervisors approve and accept such offer of dedication to the County of San Luis Obispo, and has further recommended that such action is consistent with the County's general plan.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of the County of San Luis Obispo, State of California, as follows:

1. The Board of Supervisors finds and determines that the preservation of land offered for dedication to the County of San Luis Obispo as open-space in the attached agreement is consistent with the County's general plan; that the land is essentially unimproved and if retained in its natural state has scenic value to the public and is valuable as a watershed, and the offer of dedication contained in said agreement contains appropriate covenants to that end; that it is in the public interest that the land be retained as open-space because such land will add to the amenities of living in neighboring urbanized areas; and that approval of the above agreement is categorically exempt from the requirements of the California Environmental Quality Act.

B-283
7

2. The Open-Space Agreement Granting An Open-Space Easement To The County of San Luis Obispo, a copy of which is attached hereto and is incorporated by reference herein as though set forth in full, is hereby approved and the offer of dedication contained therein is hereby accepted by the County of San Luis Obispo and the Chairman of the Board of Supervisors is hereby authorized and directed to execute said agreement on behalf of the County of San Luis Obispo.

3. The County Clerk is hereby authorized and directed to record the above agreement and a certified copy of this resolution in the office of the County Recorder of the County of San Luis Obispo, and file a copy of said agreement and resolution with the County Assessor of the County of San Luis Obispo.

Upon motion of Supervisor _____, seconded by Supervisor _____, and on the following roll call vote, to-wit:

AYES:

NOES:

ABSENT

ABSTAINING:

the foregoing resolution is hereby adopted.

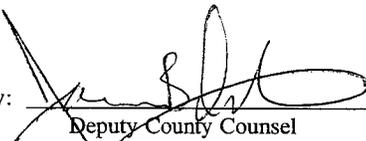
Chairman of the Board of Supervisors

ATTEST:

Clerk of the Board of Supervisors

APPROVED AS TO FORM AND LEGAL EFFECT:

JAMES B. LINDHOLM, JR.
County Counsel

By: 
Deputy County Counsel

Dated: January 27, 2006

B-23
8

STATE OF CALIFORNIA,)
)
County of San Luis Obispo) ss

I, _____, County Clerk and ex-officio Clerk of the Board of Supervisors, in and for the County of San Luis Obispo, State of California, do hereby certify the foregoing to be a full, true and correct copy of an order made by the Board of Supervisors, as the same appears spread upon their minute book.

WITNESS my hand and the seal of said Board of Supervisors, affixed this _____ day of _____, 2____.

County Clerk and Ex-Officio Clerk of the Board
of Supervisors

(SEAL)

By: _____ Deputy Clerk

B-23
9

RECORDING REQUESTED BY:

County of San Luis Obispo

AND WHEN RECORDED MAIL TO:

Clerk of the Board of Supervisors
County of San Luis Obispo
County Government Center
San Luis Obispo, CA 93408

OPEN-SPACE AGREEMENT GRANTING AN OPEN-SPACE EASEMENT
TO THE COUNTY OF SAN LUIS OBISPO
(buffer lots)

THIS AGREEMENT is made and entered into this 26th day of January,
2006, by and between WOODLANDS VENTURES, LLC, a Delaware limited liability
company, hereinafter referred to as "Owner," and the COUNTY OF SAN LUIS OBISPO,
a political subdivision of the State of California, hereinafter referred to as "County."

WITNESSETH:

WHEREAS, Owner is the record owner of certain real property (hereinafter
referred to as "Owner's Property") located in the County of San Luis Obispo, State of
California, which is more particularly described in Exhibit A attached hereto and
incorporated by reference herein as though set forth in full; and

WHEREAS, as a condition of approval of Development Plans S990187U and
D990195D and as a condition precedent to the approval of a parcel or final map for
Tract 2341, Unit 2, by County for Owner's Property, Owner is required to enter into an

ck. title rpt./Tract 2341, Unit 2/buffer lots

B-23
10

agreement with the County, on behalf of himself and his successors in interest, to maintain portions of the site in the open-space use; and

WHEREAS, Owner intends that the restrictions contained in this agreement shall apply to that portion of Owner's Property (hereinafter referred to as the "Subject Property") which is more particularly described in Exhibit B attached hereto and incorporated by reference herein as though set forth in full; and

WHEREAS, execution of this agreement by Owner and County, and the subsequent performance of its obligations by Owner and his successors in interest, will satisfy part of the requirement for dedication of an open-space easement made a condition of approval of the development plans and the tentative subdivision map referred to above; and

WHEREAS, the Subject Property has certain natural scenic beauty and existing openness, and both Owner and County desire to preserve and conserve for the public benefit the great natural scenic beauty and existing openness, natural condition and present state of use of said property of the Owner; and

WHEREAS, Owner is willing to grant to County the scenic use, as hereinafter expressed, of the land and thereby protect the present scenic beauty and existing openness of the Subject Property by the restricted use of said property by Owner through the imposition of the conditions hereinafter expressed; and

WHEREAS, both Owner and County intend that the terms, conditions, and restrictions of the open-space easement granted in this agreement are in compliance with Government Code sections 51070 through 51097, inclusive, hereinafter referred to as the "Open-Space Easement Act of 1974," so as to be an enforceable restriction under the provisions of Revenue and Taxation Code section 422; and

B-23
11

WHEREAS, Owner has supplied County with a current title company preliminary title report or preliminary subdivision guarantee listing all trust deed beneficiaries and mortgagees, if any, under prior recorded deeds of trust and mortgages on the Subject Property.

NOW, THEREFORE, in consideration of the premises and in compliance with the provisions of Government Code sections 51070 through 51097, inclusive, and in further consideration of the mutual promises, covenants, and conditions herein contained and the substantial public benefits to be derived therefrom, the parties hereto agree as follows:

1. Grant of open-space easement. Owner hereby grants to County, for the term specified in paragraph 8 below, an open-space easement in and to the Subject Property described above. The open-space easement granted herein conveys to County an estate and interest in the real property of the nature and character specified in the Open-Space Easement Act of 1974, which is subject to the express conditions and restrictions imposed herein upon the use of the property by Owner. To that end, and for the purpose of accomplishing the intent of the parties hereto, Owner covenants on behalf of himself, his successors and assigns with the County, his successors and assigns to do and refrain from doing, severally and collectively, upon the Subject Property, the various acts hereinafter mentioned.

2. Restrictions on use of the Subject Property. The restrictions imposed upon the use of the Subject Property by Owner and his successors in interest and the acts which Owner and his successors in interest shall refrain from doing, and permit to be done, upon the Subject Property are as follows:

B-23
12

(a) No structures or other improvements shall be placed, constructed, or erected upon the Subject Property except for trails, pathways, project entryway features, golf course features, drainage facilities, water lines, utilities and as otherwise authorized by the approved development plans or subdivision map referred to above.

(b) No advertising of any kind or nature shall be located on or within the Subject Property.

(c) Owner shall not plant or permit to be planted any vegetation upon the Subject Property except for natural landscaping, and as otherwise authorized by the approved development plans or subdivision map referred to above, and as necessary for erosion control.

(d) Except for the construction and maintenance of public roads, private access roads, trails, pathways, project entryway features, golf course features, drainage facilities, water lines, utilities, and other improvements, if any, as shown on the approved development plans or subdivision map referred to above, the general topography of the landscape shall be maintained in its present condition and no grading, excavation, or topographic changes shall be made.

(e) No use of the Subject Property which will or does materially alter the landscape or other attractive scenic features of the property, other than those specified herein, shall be done or suffered.

(f) Owner shall not extract natural resources from the Subject Property.

(g) Owner shall not cut timber, trees, or other natural growth, except as may be required for the approved uses referred to above on the Subject Property and for fire protection, thinning, elimination of diseased growth, and similar protective measures.

B-22
13

(h) Owner shall not use the Subject Property or any portion thereof as a parking lot, storage area, or dump site or otherwise deposit or allow to be deposited on the Subject Property or any portion thereof, temporarily or otherwise, anything whatsoever which is not indigenous or natural to the Subject Property.

(i) Owner shall not cover or cause the Subject Property to be covered in whole or in part with any asphalt, stone, concrete, or other material which does not constitute natural cover for the land nor otherwise disturb the natural cover of the land unless otherwise authorized by the provisions of this agreement.

(j) No land division of the Subject Property shall occur except after obtaining all necessary approvals required by Title 21 and Title 22 of the San Luis Obispo County Code. Any such conveyance or transfer of the Subject Property or a portion thereof by Owner or his successors in interest without first obtaining all required governmental approvals shall be considered null and void.

3. Reservations of use by Owner. Notwithstanding the provisions of paragraph 2 above, the following property rights in the Subject Property are excepted from this grant and are expressly reserved to Owner:

(a) The right to construct, develop, and maintain all roads, trails, pathways, drainage facilities, golf course features, project entryway features, water lines, utilities, and other improvements authorized by the approved development plans or subdivision map referred to above, and any amendments or modifications thereto which may be approved by the County.

(b) The right to the use and occupancy of the Subject Property, subject to the conditions and restrictions imposed in this agreement.

B 23
X

4. Compliance with County regulations. Land uses permitted or reserved to Owner in this agreement are subject to and require compliance with all applicable County ordinances and regulations, including those regulating land use.

5. Construction of improvements. Owner shall not construct or permit the construction of any improvements on the Subject Property except as expressly reserved herein or as authorized in the Open-Space Easement Act of 1974. Provided, however, nothing contained in this agreement shall prohibit the construction of either public service facilities installed for the benefit of the Subject Property or public service facilities installed pursuant to an authorization of the Board of Supervisors of the County or the Public Utilities Commission.

6. No authorization for public trespass. The grant of easement contained herein and its acceptance by the County of San Luis Obispo does not authorize and is not to be construed as authorizing the public or any member thereof to trespass upon or use all or any portion of the Subject Property or as granting to the public or any member thereof any tangible rights in or to the Subject Property or the right to go upon or use or utilize the Subject Property in any manner whatsoever. It is understood that the purpose of this agreement is solely to restrict the uses to which the Subject Property may be put so that the property may be kept as near as possible in its natural condition for the benefit of the public.

7. Effect on prior easements. Nothing contained in this agreement shall limit or affect any easements that are of record and that have been heretofore granted by Owner on, over, under, or across the Subject Property or any portion thereof.

8. Duration of easement. The grant of easement to County contained in this agreement shall be effective when it has been approved and accepted by resolution of

B-23
15

the Board of Supervisors in the manner required by law, and it shall remain in effect in perpetuity unless abandoned or otherwise terminated by the Board of Supervisors in accordance with the provisions of the Open-Space Easement Act of 1974. Provided, however, no easement shall be abandoned or otherwise terminated without first obtaining approval of an amendment to the development plans (S990187U and D990195D) authorizing such abandonment or termination.

9. Enforceable restriction. Upon acceptance of the open-space easement granted herein, the Subject Property shall be deemed to be "enforceably restricted" within the meaning of section 422 of the Revenue and Taxation Code and section 8 of Article XIII of the Constitution of the State of California.

10. Binding on successors in interest. This agreement shall be an equitable servitude and a covenant running with the land described herein and shall be binding on the parties hereto and their heirs, assigns, and successors in interest. Any conveyance, transfer, or sale made by Owner of said property or any portion thereof shall be deemed to incorporate by reference, and be subject to, each of the provisions of this agreement.

11. Effect of waiver. County's waiver of the breach of any one term, covenant, or provision of this agreement shall not be a waiver of a subsequent breach of the same term, covenant, or provision of this agreement or of the breach of any other term, covenant, or provision of this agreement.

12. Judicial enforcement. Enforcement shall be by proceeding at law or in equity, either to restrain a violation or an attempted violation or by suit to recover damages against any person or persons violating or attempting to violate any covenant or restriction contained herein.

B-10
110

13. Law governing and venue. This agreement has been executed and delivered in, and shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of California. All duties and obligations of the parties created hereunder are performable in the County of San Luis Obispo, and such County shall be that venue for any action, or proceeding that may be brought, or arise out of, in connection with or by reason of this agreement.

14. Enforceability. If any term, covenant, condition, or provision of this agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

15. Notices. Unless otherwise provided, all notices herein required shall be in writing, and delivered in person or sent by United States first class mail, postage prepaid. Notices required to be given to County shall be addressed as follows: Director of Planning and Building, County of San Luis Obispo, County Government Center, San Luis Obispo, California 93408. Notices required to be given to Owner shall be addressed as follows: Troxler Ventures Partners, Inc., 5023 N. Parkway Calabasas, Calabasas, California 91302.

Provided that any party may change such address by notice in writing to the other party, and thereafter notices shall be addressed and transmitted to the new address.

16. Agreement to be recorded. Owner and County intend and consent to the recordation of this agreement in the office of the County Recorder of the County of San Luis Obispo, and such recordation of this agreement shall serve as constructive notice

B-23
17

of the obligations contained herein to be performed by the Owner and the successors in interest to all or any portion of Owner's Property.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

OWNER

WOODLAND VENTURES, LLC
a Delaware limited liability company

By: TROXLER RESIDENTIAL VENTURES, II, LLC
a Delaware limited liability company
its Managing Member

By: TROXLER VENTURES PARTNERS, INC.
a California corporation,
its Operating Member

By: *[Signature]*, Terri Melu
its VICEPRESIDENT

By: *[Signature]*, Virginia Teslik
its SECRETARY

COUNTY OF SAN LUIS OBISPO

By: _____
Chairman of the Board of Supervisors

ATTEST:

Clerk of the Board of Supervisors

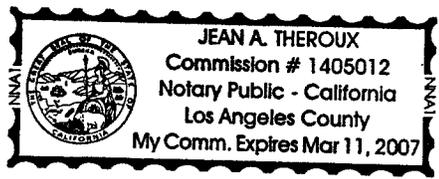
[Handwritten stamp]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of Los Angeles } ss.

On January 26, 2006 before me, Jean A. Theroux, Notary
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared Terri Malm + Virginia Teslik
Name(s) of Signer(s)

personally known to me
 proved to me on the basis of satisfactory evidence



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

WITNESS my hand and official seal.
Jean A. Theroux
Signature of Notary Public

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____



10-23
19

APPROVED AS TO FORM AND LEGAL EFFECT:

JAMES B. LINDHOLM, JR.
County Counsel

By: _____
Deputy County Counsel

Dated: _____

[NOTE: This Open-Space Agreement will be recorded. All signatures to this agreement must be acknowledged by a notary.]

B-23
20

Jan 25 06 04:11p

P. 13

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT BY BECOMING SUBJECT TO THE TERMS, COVENANTS, CONDITIONS, AND RESTRICTIONS OF THE FOREGOING OPEN-SPACE AGREEMENT GRANTING AN OPEN-SPACE EASEMENT TO THE COUNTY OF SAN LUIS OBISPO. (THIS NOTICE REQUIRED BY CALIFORNIA CIVIL CODE SECTION 2953.3.)

The undersigned, beneficiary under that certain Deed of Trust recorded November 19, 2003, as Document No. 2003-133277, of the Official Records in the office of the County Recorder in the County of San Luis Obispo, State of California, does hereby join in, and consent to, each and all of the terms and provisions of the within open-space agreement, and does hereby subordinate its interests to the entire effect of this open-space agreement.

Dated: 1.26.2006

HOUSING CAPITAL COMPANY
a Minnesota partnership

By: DFP Financial, Inc.,
a California corporation,
its Managing General Partner

By: [Signature]
its VICE PRESIDENT

By: [Signature]
its Senior Vice President

[NOTE: This Subordination Agreement will be recorded. All signatures to this agreement must be acknowledged by a notary.]

*B-23
20*

STATE OF CALIFORNIA

COUNTY OF ORANGE

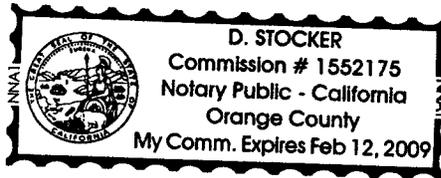
On January 26, 2006, before me, **D. Stocker, a Notary Public**, personally appeared **William Wells**, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature



[SEAL]



STATE OF CALIFORNIA

COUNTY OF ORANGE

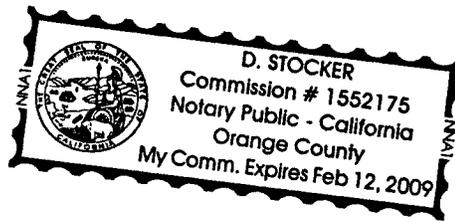
On April 22, 2004, before me, **D. Stocker, a Notary Public**, personally appeared **Norman W. Kallan**, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature



[SEAL]



4/22/04

Jan 25 06 04:11p

P. 14

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT BY BECOMING SUBJECT TO THE TERMS, COVENANTS, CONDITIONS, AND RESTRICTIONS OF THE FOREGOING OPEN-SPACE AGREEMENT GRANTING AN OPEN-SPACE EASEMENT TO THE COUNTY OF SAN LUIS OBISPO. (THIS NOTICE REQUIRED BY CALIFORNIA CIVIL CODE SECTION 2953.3.)

The undersigned, beneficiary under that certain Deed of Trust recorded October 25, 2005, as Document No. 2005-089745, of the Official Records in the office of the County Recorder in the County of San Luis Obispo, State of California, does hereby join in, and consent to, each and all of the terms and provisions of the within open-space agreement, and does hereby subordinate its interests to the entire effect of this open-space agreement.

Dated: 1.26.2006

HOUSING CAPITAL COMPANY
a Minnesota partnership

By: DFP Financial, Inc.,
a California corporation,
its Managing General Partner

By: [Signature]
its VICE PRESIDENT

By: [Signature]
its [Signature]

[NOTE: This Subordination Agreement will be recorded. All signatures to this agreement must be acknowledged by a notary.]

B-23
25

STATE OF CALIFORNIA

COUNTY OF ORANGE

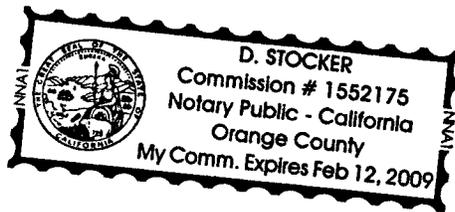
On January 26, 2006, before me, **D. Stocker, a Notary Public**, personally appeared **William Wells**, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature



[SEAL]



STATE OF CALIFORNIA

COUNTY OF ORANGE

On April 22, 2004, before me, **D. Stocker, a Notary Public**, personally appeared **Norman W. Kallan**, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature



[SEAL]

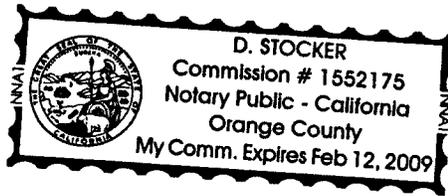


EXHIBIT A

All of Tract 2341, Unit 2, as shown on a map recorded in Book _____, Pages _____
through _____ inclusive of Maps, in the office of the County Recorder of the County of
San Luis Obispo, State of California.

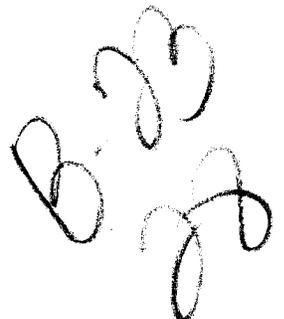
Handwritten signature or initials in black ink, located in the bottom right corner of the page. The signature is stylized and appears to consist of several loops and curves.

EXHIBIT B

Lots 1228, 1230, 1236, and 1335 inclusive of Tract 2341, Unit 2, as shown on a map recorded in Book _____, Pages _____ through _____ inclusive of Maps, in the office of the County Recorder of the County of San Luis Obispo, State of California.

B-23
09