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RECORDED REQUEST OF
First American Title
SUBDIVISION MAPPING DEPT.

DOC # 2012-0611812



OCT 05, 2012 4:59 PM

OFFICIAL RECORDS
SAN DIEGO COUNTY RECORDER'S OFFICE
Ernest J. Dronenburg, Jr., COUNTY RECORDER

FEES: 20227 27.00

PAGES: 5



RECORDING REQUESTED BY:

Anza-Borrego Foundation)
Attn: Conrad Kramer)
587 Palm Canyon Drive, Suite 111)
Borrego Springs, California 92004)

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SP

WHEN RECORDED, RETURN TO:

State of California)
Wildlife Conservation Board)
Attn: Executive Director)
1807 13th Street, Suite 103)
Sacramento, CA 95811-7137)

3398933-4

Project Name: Jacumba Peak Property
County: San Diego
APNs: 614-090-01, 660-010-01, and 660-020-03

Space above line for Recorder's use

**NOTICE OF UNRECORDED SUBGRANT AGREEMENT
(WITH COVENANTS AFFECTING REAL PROPERTY)**

This Notice of Unrecorded Subgrant Agreement ("Notice"), dated as of July 19, 2012, is made by the Anza-Borrego Foundation ("Subgrantee") and recorded concurrently with the Deed described below, to provide notice of an agreement between Subgrantee and the Wildlife Conservation Board ("WCB"), a subdivision of the State of California, affecting the real property described below.

1. WCB and Subgrantee have entered into the California Wildlife Conservation Board Subgrant Agreement for Acquisition of Fee Interest, WCB Subgrant Agreement No. SG-1020DT (Section 6 Grant Agreement No. E-27-RL-2 ("Subgrant" or "Agreement"), pursuant to which WCB subgrants to Subgrantee certain Federal Grant Funds for Subgrantee's acquisition of fee title to approximately 1,080.76 acres of real property located in the County of San Diego, California (the "Property"), by Grant Deed (the "Deed") from The Nature Conservancy, a District of Columbia nonprofit corporation (Grantor). The Property is legally described in **Exhibit A** attached to this Notice and incorporated in it by this reference. Initial-capitalized terms used in this Notice and not otherwise defined shall have the meaning set forth in the Subgrant.

2. Subgrantee agrees under the terms of the Subgrant to execute this Notice to give notice that Subgrantee received funds under the Agreement to assist Subgrantee in acquiring the Property and that, in consideration of the Subgrant Funds, Subgrantee has agreed to the terms of the Subgrant. The Subgrant is incorporated by reference into this Notice.

3. Subgrantee covenants and agrees in Section 6.1 of the Agreement as follows:

3.1. The Property shall be held and used only in a manner that is consistent with the Agreement, including the following "Purposes of Subgrant" set forth in Section 3.2 of the Agreement:

The Property shall be held and used for the following purposes: 1) conserve habitat designated as the Southeast San Diego recovery unit (Jacumba habitat complex) for the federally endangered Quino checkerspot butterfly; 2) buffer the entrance to the Carrizo Gorge, which provides a water source for the federally endangered and state threatened Peninsular bighorn sheep; and 3) build a connection between the Carrizo Gorge in Anza-Borrego Desert State Park and the U.S.-Mexico border to maintain landscape-scale connectivity functions in this region of San Diego County and cross-border connectivity with the habitat in Baja California (individually and collectively, the "Purposes of Subgrant").

3.2.1. The Property shall be set aside in perpetuity for the purposes of conservation, including the Purposes of Subgrant.

3.2.2. Subgrantee shall comply with the terms and conditions of the award of Federal Grant Funds to the California Department of Fish and Game ("CDFG"), to the extent such terms and conditions are applicable to Subgrantee, the Subgrant Funds or the Property.

3.3. The Property (including any portion of it or any interest in it) shall not be sold, transferred, exchanged or otherwise conveyed without the written approval of the State of California (the "State"), acting through the Executive Director of WCB, or its successor, and the U.S. Department of the Interior, Fish and Wildlife Service ("USFWS") (to the extent required pursuant to the Federal Assistance Requirements).

3.5. The Property (including any portion of it or any interest in it) may not be used as security for any debt without the written approval of the State, acting through the Executive Director of WCB, or its successor, except to the extent the use of the Property as security is prohibited or limited by the Federal Assistance Requirements.

3.6. At the request of WCB, not less than once in any period of three calendar years, Subgrantee shall allow designated staff or representatives of WCB, CDFG and USFWS to access the Property to assess compliance with the terms, covenants and conditions of this Agreement. Provided, however, that if more frequent access is necessary to comply with applicable federal requirements (including, but not limited to, 50 C.F.R. Section 81.13) then Subgrantee shall allow designated staff or representatives of WCB, CDFG and USFWS access to the Property at such intervals as WCB, CDFG or USFWS considers appropriate to meet federal requirements to which it is subject.

4. Pursuant to Section 8 of the Agreement, in the event of a Default under the Agreement, in addition to any and all remedies available at law or in equity, WCB may seek specific performance of the Subgrant and may require Subgrantee to convey a conservation easement over the Property in favor of the State (or, at the election of WCB, another entity or organization authorized by California law to acquire and hold conservation easements), and to pay a sum to WCB which, when combined with the fair market value of the conservation easement, equals the amount of Subgrant Funds provided by the Agreement, together with interest thereon as provided in the Agreement. CDFG, as the Grantee under the Federal Grant Agreement, shall be an express third-party beneficiary of the Agreement and shall have the same rights and remedies as WCB in the event of a breach or Default by Subgrantee.

5. Pursuant to Section 9 of the Agreement, if Subgrantee is a nonprofit organization and the existence of Subgrantee is terminated for any reason, title to all interest in the Property acquired with Subgrant funds shall immediately vest in the State. However, prior to that termination, upon approval of the State, acting through the Executive Director of WCB or its successor, another public agency or nonprofit organization may receive title to all or a portion of that interest in the Property by recording its acceptance of title in writing. Any deed or other instrument of conveyance whereby the Property or any interest in it is being acquired by a nonprofit organization pursuant to this section shall be recorded and shall set forth the executory interest or right of entry on the part of the State.

6. Pursuant to Section 10 of the Agreement, the provisions of the Subgrant that are not fully performed as of the close of escrow shall survive the close of escrow for Subgrantee's acquisition of the Property and shall remain in full force and effect.

7. Pursuant to Section 11 of the Agreement, the Subgrant shall be binding upon Subgrantee and all designees, successors and assigns of Subgrantee.

8. Pursuant to Section 12 of the Agreement, if all or any part of the Property is taken by exercise of the power of eminent domain, or acquired by purchase in lieu of condemnation, WCB and Subgrantee shall act jointly to recover from the condemning authority the full value of the Property so taken or purchased, and all direct or incidental damages resulting therefrom. WCB shall be entitled to the share of the Award which equals the ratio of the Subgrant Funds provided by WCB to the total purchase price Subgrantee paid to acquire the Property.

9. This Notice is solely for the purpose of recording and in no way modifies the provisions of the Agreement. Subgrantee and WCB each has rights, duties and obligations under the Agreement which are not set forth in this Notice. To the extent the terms of this Notice conflict with the Agreement, the terms of the Agreement shall govern and control.

10. For additional terms and conditions of the Agreement, reference should be made to the California Wildlife Conservation Board Subgrant Agreement for Acquisition of Fee Interest by and between WCB and Subgrantee that commenced July 18, 2012, and is on file with the Wildlife Conservation Board, 1807 13th Street, Suite 103, Sacramento, California 95811-7137; *mailing address*: Wildlife Conservation Board, c/o Department of Fish and Game, P. O. Box 944209, Sacramento, CA 94244-2090.

SUBGRANTEE:**ANZA-BORREGO FOUNDATION**By: *Nicholas R Clapp*Print Name: Nicholas ClappTitle: Board Secretary**[Notary Acknowledgment]**

See attached California Acknowledgment

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of San Diego

On 07/19/2012 before me, KAREN A. BRIDEN, Notary Public

personally appeared NICHOLAS R. CLAPP

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: [Handwritten Signature] Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document: notice of unrecorded subgraft
Title or Type of Document: Agreement (with covenants affecting real property)
Document Date: 07/19/2012 Number of Pages: 4

Signer(s) Other Than Named Above:

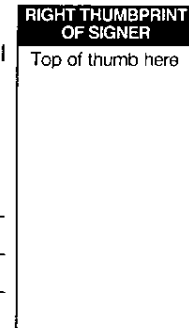
Capacity(ies) Claimed by Signer(s)

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



Signer Is Representing:

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



Signer Is Representing: