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First American Title Company

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RECORDING REQUESTED BY AND
WHEN RECORDED, RETURN TO:

State of California
Wildlife Conservation Board
Attn: Executive Director
1807 13th Street, Suite 103
Sacramento, CA 95814-7137

DOC#: 2005013389



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| Titles: 1 | Pages: 61 |
| Fees | 187.00 |
| Taxes | 0.00 |
| Others | 0.00 |
| PAID | \$187.00 |

Project Name: Hearst Ranch Conservation Project *Space above line for Recorder's use*
County: San Luis Obispo

NOTICE OF UNRECORDED GRANT AGREEMENT

This Notice of Unrecorded Grant Agreement ("Notice"), dated as of February 18, 2005, is recorded concurrently with the Conservation Easement described below, to provide notice of an agreement between the State of California, by and through the Wildlife Conservation Board ("Grantor" or "WCB"), American Land Conservancy, a California nonprofit public benefit corporation ("Grantee") and California Rangeland Trust, a California nonprofit public benefit corporation ("Successor Grantee").

RECITALS

A. On or about February 15, 2005, WCB, Grantee and Successor Grantee entered into the Grant Agreement for Acquisition of Conservation Easement, Grant Agreement No. WC-4029JD ("Grant"), pursuant to which WCB grants to Grantee certain funds for the acquisition of a Conservation Easement over approximately 80,000 acres of real property located in San Luis Obispo County, California, from Hearst Holdings, Inc., a Delaware Corporation, to Grantee (the "Conservation Easement"). The real property encumbered by the Conservation Easement is more particularly described collectively in Exhibit A-1 and Exhibit A-2 which are attached hereto and incorporated by reference (the "Property"). The owner of the Property is referred to herein as the "Landowner".

B. The Conservation Easement includes Landowner's donation of the Conservation Easement with respect to the portion of the Property described in Exhibit A-2, pursuant to the Natural Heritage Preservation Tax Credit Act of 2000, as amended (Public Resources Code Section 37000 et seq.).

C. Under the terms of the Grant, WCB reserves certain rights with respect to the Conservation Easement.

D. Grantee and Successor Grantee, respectively, is each required under the terms of the Grant to execute this Notice to provide constructive notice to all third parties regarding WCB's reserved rights.

NOTICE

1. Any amendment to the Conservation Easement shall comply with Section 20 of the Conservation Easement. Grantee shall not consent to any amendment of the Conservation Easement without the prior written consent of WCB.

2. Grantee shall not assign, convey or otherwise transfer, in whole or in part, any of Grantee's interests, rights or obligations under the Conservation Easement, with respect to the whole or any portion of the Property, without the written approval of WCB except as expressly stated in Section 18 of the Conservation Easement. Any transfer of Grantee's interest under the Conservation Easement shall be effected concurrently with the successor Grantee's written assumption of the Grant.

3. The Conservation Easement may not be used as security for any debt.

4. The Grant shall remain in full force and effect from and after the close of escrow for the acquisition of the Conservation Easement, unless terminated earlier as provided in Section 6.6 of the Grant.

5. The Grant shall be binding upon Grantee and all designees, successors and assigns of Grantee as holder of the Conservation Easement. References to "Grantee" shall be deemed to refer to Successor Grantee upon Successor Grantee's acquisition of the Conservation Easement.

6. This Notice is for the purpose of recordation. To the extent the terms of this Notice conflict with the Grant, the terms of the Grant shall govern and control.

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