

Recording requested by and return to:

State Coastal Conservancy
1330 Broadway Suite 1100
Oakland, CA 94612
Attn: Staff Counsel
Project: Victorine Ranch

ACKNOWLEDGEMENT OF PAYMENT

This ACKNOWLEDGEMENT OF PAYMENT is hereby entered into by and between the State of California, acting by and through the State Coastal Conservancy ("State") and Helen Bibbero, a married woman as to her sole and separate property ("Bibbero"), this 15th day of December, 1995, with respect to the Agreement dated November 11, 1981, and recorded May 5, 1982 at Reel 1550 Page 827 of Monterey County Records (the "Agreement").

RECITALS

This Acknowledgement of Payment is entered into with reference to the following facts, understandings and intentions of the parties:

A. Bibbero is the owner of that certain real property in the County of Monterey, State of California, described in the attached Exhibit 1, and which is also referred to in the Agreement and in this Acknowledgement as the BIBBERO Property.

B. The State of California is the owner of that certain adjacent real property in the County of Monterey, State of California, described in the attached Exhibit 2, and which is also referred to in the Agreement and in this Acknowledgement as the ALLEN Property.

C. The State of California is also the owner of that certain real property in the County of Monterey, State of California, described in the attached Exhibit 3, which is not subject to the Agreement, but which shall be referred to in this Acknowledgement as the CRAVEN/NATION Property.

D. The Agreement provides for sharing the costs of road and utility improvements benefitting the properties subject to it, and permits other property owners in the immediate area who are not parties to the Agreement to benefit from and share in costs of making those improvements if the parties to the Agreement allow such parties to participate.

E. The CRAVEN/NATION Property is located in the same immediate area, known as the Victorine Ranch, as the BIBBERO Property and the ALLEN Property.

F. In connection with the construction and development of a single-family residence on the BIBBERO Property, Bibbero has extended primary electrical power, cable substructure and a telephone trunk line to the BIBBERO Property, had primary power transformer stations constructed on the BIBBERO Property and other property in the Victorine Ranch, and made certain road improvements including widening, straightening, leveling, compaction, and surfacing of the existing roadway with decomposed granite, road base, and oil, and secured an easement providing legal access across property owned by Rosemarie Preh for the benefit of the Allen Property, the Craven/Nation Property, and other properties in the Victorine Ranch (collectively, these improvements shall be referred to hereinafter as the "Existing Improvements").

G. Pursuant to an Agreement for Purchase and Sale of the Allen Property by the State to Bibbero, all of the costs of installing the Existing Improvements which are chargeable to the Allen Property under the Agreement, as well as additional costs reflecting the benefit of the Existing Improvements to the Craven/Nation Property have been paid to Bibbero.

H. The State and Bibbero intend to memorialize their understandings regarding the payment of these costs for the benefit of their successors in interest in the BIBBERO, ALLEN and CRAVEN/NATION properties, and of other interested parties, and to assure that the benefits and burdens of their agreement run with their respective properties and are binding upon their heirs, successors and assigns.

TERMS

NOW, THEREFORE, the State and Bibbero acknowledge and agree as follows:

1. The State hereby acknowledges and agrees that the Existing Improvements, completed by Bibbero to this date and described above, benefit the ALLEN Property, the CRAVEN/NATION Property, and other properties in the Victorine Ranch.

2. Bibbero hereby acknowledges that all of the costs of installing any improvements made to date, including the Existing Improvements, which are chargeable to the ALLEN Property under terms and conditions of the Agreement have been paid in full. Accordingly, Bibbero hereby warrants and agrees that neither the State nor its successors in interest in the ALLEN Property shall be required to pay any additional share of the costs of

installing any improvements made to date, including the Existing Improvements, as a condition of benefitting from the road improvements and utility connections provided by Bibbero to date, notwithstanding the payment or nonpayment or amount of payments made to Bibbero by other parties to the Agreement as their share of these costs.

3. Bibbero further acknowledges that all of the costs of installing any improvements made to date, including the Existing Improvements, that would be chargeable to the CRAVEN/NATION Property under the Agreement, were the CRAVEN/NATION Property subject to the Agreement, have also been paid. Accordingly, Bibbero hereby warrants and agrees that neither the State nor its successors in interest in the CRAVEN/NATION Property shall be required to pay any additional share of the costs of installing any improvements made to date, including the Existing Improvements, as a condition of benefitting from the road improvements and utility connections provided by Bibbero to date, or of entering into the Agreement as an additional party, or into any subsequent agreement to which Bibbero or her successor is a party which provides for sharing the costs of improvements benefitting properties in the Victorine Ranch, notwithstanding the payment or nonpayment or amount of payments made to Bibbero by other parties as their share of these costs. Bibbero further agrees not to oppose or interfere with the use of improvements made to date, including the Existing Improvements, by the State or its successors in interest in the ALLEN and CRAVEN/NATION Properties, and waives the right to any additional payment from the State or its successors for the costs of installing any improvements made to date, including the Existing Improvements, in the event of any future claims or disputes among other parties to the Agreement or any subsequent cost-sharing agreement relating to the costs of installing the improvements made to date, including the Existing Improvements, or payment therefor.

4. Bibbero further agrees not make any future expenditures for improvements within Victorine Ranch for which reimbursement will be sought from the State or its successor(s), without the prior written consent of the State or its successor(s), and hereby waives any claim against the State or its successor(s) for reimbursement of any expenditures for further improvements made without such prior consent; provided, however, this paragraph does not prevent reimbursement of expenditures made under emergency conditions to protect and maintain access or utilities in their existing condition, to the extent such reimbursement otherwise would be required, if written notice is provided as soon as practical after such emergency expenditures.

This Acknowledgement of Payment shall run with the BIBBERO Property, the ALLEN Property, and the CRAVEN/NATION Property, binding and inuring to the benefit of the heirs, successors and assigns of each of the parties hereto.

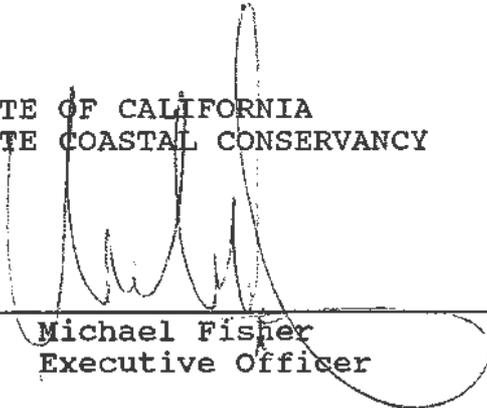
IN WITNESS WHEREOF, the parties have entered into this Acknowledgement of Payment as of the date above.

BIBBERO

Helen P. Bibbero
Helen Bibbero

Dated: December 6th, 1995

STATE OF CALIFORNIA
STATE COASTAL CONSERVANCY


By: Michael Fisher
Executive Officer

Dated: December 6th, 1995

Exhibit 1 - BIBBERO Property
Exhibit 2 - ALLEN Property
Exhibit 3 - CRAVEN/NATION Property

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

No. 5907

State of California

County of Alameda

On December 11, 1995 before me, Lorenza G. Sandoval, Notary Public

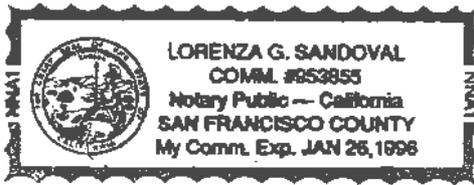
DATE

NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Michael Ludwig Fischer

NAME(S) OF SIGNER(S)

personally known to me - OR - 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.

Lorenza Sandoval
SIGNATURE OF NOTARY

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER

INDIVIDUAL
 CORPORATE OFFICER
Executive Officer
TITLE(S)

PARTNER(S) LIMITED
 GENERAL

ATTORNEY-IN-FACT
 TRUSTEE(S)

GUARDIAN/CONSERVATOR
 OTHER: _____

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

DESCRIPTION OF ATTACHED DOCUMENT

Acknowledgment of Payment
TITLE OR TYPE OF DOCUMENT

Four pages & Exhibits 1-3
NUMBER OF PAGES

December 11, 1995
DATE OF DOCUMENT

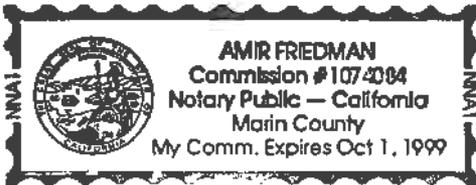
Helen P. Bibbero
SIGNER(S) OTHER THAN NAMED ABOVE

STATE OF CALIFORNIA

COUNTY OF MARIN

On DEC. 6, 1995, before me, the undersigned, AMIR FRIEDMAN
Notary Public, personally appeared HELEN POTTER
BIBBERO, personally known to me (or
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 ~~(s)~~ / her ~~(s)~~ / their authorized capacity ~~(s)~~, and that by
his ~~(s)~~ / her ~~(s)~~ / 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



Amir Friedman

EXHIBIT 1 - (BIBBERO PARCEL)

Parcel B-1 on that certain map filed for record July 22, 1983, Volume 15 of Parcel Maps, Page 157, Records of the County of Monterey.

EXHIBIT 2 - (ALLEN PARCEL)

Certain real property situate in Rancho San Jose y Sur Chiquito, County of Monterey, State of California, particularly described as follows:

Beginning at a 2" x 2" stake at the Northeast corner of Parcel I as said stake, corner and parcel are shown on that certain map entitled, "Record of Survey a portion of Victorine Ranch South of Mal Paso Creek", filed January 4, 1967 in Volume 5 of Surveys at page 91, Records of Monterey County, California; running thence along the Easterly line of said Parcel I

1) S. 8° 05' E., 262.68 feet to the Northeastern corner of that certain 17.913 acre parcel described in deed from Howard Zellhoefer to Florence Zellhoefer, dated November 7, 1961, and recorded November 24, 1961, in Volume 2205, Official Records of Monterey County, California at page 284, thence leaving said Easterly line and running along the Northerly boundary of said 17.913 acre parcel

2) N. 73° 58' 40" W., 205.83 feet; thence

3) S. 79° 42' 45" W., 297.82 feet; thence

4) S. 84° 47' 45" W., 242.62 feet; thence

5) S. 64° 15' 18" W., 439.91 feet to a point on the Westerly line of said Parcel 1, said line being also the Easterly line of State Highway No. 1, as shown on said map; thence leaving said boundary and running along said line

6) N. 8° 05' W., 62.97 feet; thence leaving said line and running along a line drawn parallel with and 60.0 feet Northerly of above described courses (3), (4) and (5).

7) N. 64° 15' 18" E., 491.68 feet; thence

8) N. 84° 47' 45" E., 250.83 feet; thence

9) N. 79° 42' 45" E., 50.65 feet; thence leaving said parallel line

10) N. 8° 05' W., 128.07 feet to a point on the Northerly line of said Parcel I; thence along said Northerly line

11) N. 81° 55' E., 434.51 feet to the point of beginning.

EXHIBIT 3 - (CRAVEN/NATION PARCEL)

Situate in the Rancho San Jose y Sur Chiquito, County of Monterey, State of California, particularly described as follows:

Beginning at a 1-1/2" iron pipe on the easterly line of State Highway No. 1, being the southwesterly corner of that certain 36.03 acre parcel as shown on the map entitled, "Record of Survey for Le Forust, Inc., 36.03 Acre Parcel Victorine Ranch", filed October 24, 1958 in Book Five of Surveys, at Page 193, Monterey County Records, running thence along the southerly boundary of said ranch

- (1) N. 61° 04' E., 5,492.25 feet; thence
- (2) N. 42° 12' E., 795.98 feet; thence leaving the line of said Ranch
- (3) N. 47° 48' W., 50.00 feet; thence
- (4) N. 79° 52' W., 485.56 feet; thence
- (5) S. 61° 04' W., 3,761.33 feet; thence
- (6) S. 80° 45' W., 101.0 feet; thence
- (7) S. 16° 45' W., 85.00 feet; thence
- (8) S. 58° 30' W., 125.00 feet; thence
- (9) S. 78° 00' W., 430.00 feet; thence
- (10) N. 81° 00' W., 350.00 feet to a point on the easterly line of above said 36.03 acre parcel at a distance N. 1° 29' W., 1,036.90 feet from the southeast corner of said 36.03 acre parcel; thence leaving said easterly line
- (11) West, 211.68 feet; thence
- (12) S. 73° 00' W., 140.00 feet to an angle point on the northwesterly line of said 36.03 acre parcel; thence running along said northwesterly line
- (13) S. 37° 03' 30" W., 69.56 feet; thence
- (14) S. 66° 49' 30" W., 450.59 feet; thence
- (15) N. 75° 50' 30" W., 194.97 feet; thence
- (16) S. 30° 43' 30" W., 347.17 feet; thence
- (17) S. 48° 48' 40" W., 65.64 feet to the northwesterly corner of said 36.03 acre parcel on the easterly line of above said

State Highway No. 1, thence running along the said easterly line of said highway

- (18) 192.52 feet along the arc of a non-tangent curve to the left (center bears N. 55° 10' 40" E., 1,960 feet distant) through a central angle of 5° 37' 40" to a concrete monument opposite Station 211-64-49 BC, as shown on said map; thence tangentially and continuing along said easterly line
- (19) S. 40° 27' E., 561.10 feet to a concrete monument opposite Station 206-03-48 BC, as shown on said map; thence continuing along said easterly line
- (20) 283.11 feet along the arc of a tangent curve to the left with a radius of 1,960 feet through a central angle of 8° 16' 34" to the point of beginning, and being a portion of said Victorine Ranch.