Recording Requested by and
When Recorded, Mail to:

California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105
attn: Legal Department
Permit No. 5-91-436
APN 4455-021-050/902
(Mattingly)

DEDICATION OF SCENIC EASEMENT

AND

DECLARATION OF RESTRICTIONS

THIS DEDICATION OF SCENIC EASEMENT AND DECLARATION OF
RESTRICTIONS (hereinafter "Dedication") is made this 7th day of December 1995, by
the Mountains Recreation and Conservation Authority, a public entity of the State of
California, (hereinafter referred to as "Grantor").

I. WHEREAS, Grantor is the legal owner of a fee interest of certain real property
located in the County of Los Angeles, State of California and described in the
attached Exhibit A (hereinafter referred to as the "Open Space Property"); and

II. WHEREAS, all of the Open Space Property is located within the coastal zone as
defined in Section 30103 Division 20 of the California Public Resources Code
(which division is hereinafter referred to as the "California Coastal Act of 1976"); and

III. WHEREAS, the California Coastal Act of 1976 (hereinafter referred to as the
"Act") creates the California Coastal Commission (hereinafter referred to as the
"Commission") and requires that any development approved by the Commission
must be consistent with the policies of the Act set forth in Chapter 3 thereof; and

IV. WHEREAS, pursuant to the Act, BMIF/BSLF II Rancho Malibu (hereinafter the
"Applicant") applied to the Commission for a permit to undertake development as
defined in the Act within the coastal zone of Los Angeles County (hereinafter,
the "Permit"); and

V. WHEREAS, in its decision on the Permit (Permit No. 5-91-436) decided on
July 18, 1991, the Commission found that the development proposed by the
Applicant would contribute to adverse cumulative impacts on both coastal
resources and public access to the coast within the Los Angeles County coastal
zone, and that such use could not be permitted consistent with the policies of the
Act without a reduction in the number of existing underdeveloped parcels so as to
mitigate the adverse cumulative effects of the proposed development; and
VI. WHEREAS, the Commission acting on behalf of the People of the State of California and pursuant to the Act, granted the Permit to the Applicant upon condition (hereinafter the "Condition") requiring interalia that the Applicant cause the grant of a scenic or open space easement over the qualifying property within the designated donor areas and agree to restrict development on such property so as to preclude further residential development and promote the open space and scenic values present on such property and so as to prevent the adverse direct and cumulative effects on coastal resources and public access to the coast which would occur if the Open Space Property would be developed as building sites for residential use;

VII. WHEREAS, the Commission has placed the Condition on the Permit because a finding must be made under Public Resources Code Section 30604(a) that the proposed development is in conformity with the provisions of Chapter 3 of the Act and that in the absence of the protections provided by the Condition said finding could not be made; and

VIII. WHEREAS, the Applicant has elected to comply with the Condition and has contracted with the Grantor; and, in return for valuable consideration granted by the Applicant to the Grantor, receipt of which is hereby acknowledged, the Grantor has agreed to cause the Dedication to be executed under the terms and conditions of the Commission’s approval, so as to enable the Applicant to fulfill the Condition, thus allowing the Applicant to undertake the development authorized by the Permit.

IX. WHEREAS, it is intended that this Dedication is irrevocable and shall constitute enforceable restrictions within the meaning of Article XIII, Section 8 of the California Constitution and that said restrictions shall thereby qualify enforceable restriction under the provision of the California Revenue and Taxation Code, Section 402.1;

NOW, THEREFORE, in consideration of the mutual benefit and conditions set forth herein and substantial public benefits for the protection of coastal resources to be derived therefrom, the preservation of the Open Space Property without residential development and the promotion of open space uses thereon, Grantor, on behalf of Grantor and Grantor’s successors and assigns, hereby irrevocably offers to dedicate to the State of California, to a political subdivision of the State, or to a private association approved in writing by the Executive Director of the Commission to serve as grantee, ("Grantee" herein), a conservation and scenic easement in gross and in perpetuity for light, air, view, and the preservation of scenic qualities over the Open Space Property, subject to the following terms, conditions, and restrictions.

1. Use of Property. The use of the Open Space Property shall be limited to natural and open-space purposes for habitat protection, resource management, conservation, research, and public recreation, in accordance with the following limitations. No development shall occur or be allowed on the Open Space Property, with the exception of the following, subject to applicable governmental
regulatory requirements:

a) the removal of hazardous substances or conditions or non-native or diseased plants or trees;

b) the removal of any vegetation which constitutes or contributes to a fire hazard to residential use of neighboring parcels, and which vegetation lies within 100 feet of existing or permitted residential development;

c) the installation or repair of underground utility lines and septic systems;

d) passive public recreational use, where appropriate, including the posting of directional and interpretive signs or signs for the prevention of trespass or for other regulatory purposes;

e) the construction of fences as necessary for the protection of natural resources and/or private property.

f) the construction and maintenance of parking areas, staging areas, visitor-serving improvements such as portable toilets, permanent rest rooms, picnic benches and seating areas for ranger orientation sessions.

2. Right of Entry. The Grantee or its agents may, at times reasonably acceptable to Grantor, enter onto the Open Space Property to ascertain whether the use restrictions set forth above are being observed by the Grantor. No right of access for the public or persons other than the Grantee or its agent is created by this provision.

3. Benefit and Burden. This Dedication shall run with and burden the Open Space Property, and all obligations hereby imposed shall be deemed to be covenants and restrictions running with the land, shall be effective limitations on the use of the Open Space Property from the date of recordation of this document and shall bind the Grantor and all successors and assigns. This Dedication shall benefit all parcels of real property adjoining the Open Space Property and the People of the State of California.

4. Construction of Validity. If any provisions of these restrictions shall be held to be invalid or for any reason become unenforceable, no other provision shall be thereby affected or impaired.

5. Enforcement. Any act or any conveyance, contract, or authorization whether written or oral by the Grantor which uses or would cause to be used or would permit use of the Open Space Property contrary to the terms of this Dedication will be deemed a breach hereof. The Grantee may bring any action in court necessary to enforce this Dedication, including, but not limited to, injunction to terminate a breaching activity, or an action to enforce the terms and provisions hereof by specific performance. It is understood and agreed that the enforcement
proceedings provided in this paragraph are not exclusive and that the Grantee may pursue any appropriate legal and equitable remedies. The Grantee shall have sole discretion to determine under what circumstances an action to enforce the terms and conditions of this Dedication shall be brought in law or in equity. Any forbearance on the part of Grantee to enforce the terms and provisions hereof in the event of a breach shall not be deemed to constitute a waiver of Grantee's right regarding any subsequent breach or an abandonment of any right or interest granted to Grantee hereunder.

6. Taxes and Assessments. Grantor agrees to pay or cause to be paid all real property taxes and assessment levied or assessed against the Open Space Property.

7. Maintenance. The Grantee shall not be obligated to maintain, improve or otherwise expend any funds in connection with the Open Space Property or any interest or easement created by this Dedication. All costs and expenses for such maintenance improvement, use or possession shall be born by the Grantor.

8. Liability and Indemnification. This conveyance is made and accepted upon the express condition that the Grantee, its directors, officers, agents and employees are to be free from all liability and claim for damage by reason of any injury to any person or persons, including Grantor, or property of any kind whatsoever and to whomsoever belonging, including Grantor, from any cause or causes whatsoever, except matters arising out of the sole negligence of the Grantee, while in, upon, or in any way connected with the Open Space Property, Grantor hereby covenanting and agreeing to indemnify and hold harmless the directors, officers, agents and employees of Grantee from all liability, loss, cost, and obligations on account of or arising out of any such injuries or losses however occurring. The Grantee shall have no right of control over, nor duties and responsibilities with respect to the Open Space Property which would subject the Grantee to any liability occurring upon the land by virtue of the fact that the right of the Grantee to enter the land is strictly limited to preventing uses inconsistent with the interest granted and does not include the right to enter the land for the purpose of correcting any dangerous condition as defined by California Government Code Section 830.

9. Costs of Suit. If any action be commenced to enforce or interpret this Dedication, the prevailing party shall be entitled to recover, in addition to any other relief, all costs of suit, including reasonable attorneys fees.

10. Successors and Assigns. The terms, covenants, conditions, exceptions, obligations and reservations contained in this Dedication shall be binding upon and inure to the benefit of the successors and assigns of both the Grantor and the Grantee, whether voluntary or involuntary.

11. Term. This offer shall be binding upon the Grantor and its assigns or successors in interest to the Open Space Property described above for a period of twenty-one (21) years from date hereof.

Upon recordation of any acceptance of this Dedication, this offer shall have the effect of a grant of open space and scenic easement in gross and perpetuity for
light, air, view, and the preservation of scenic qualities over the Open Space Property that shall run with the land and be binding on the parties, its assigns and successors in perpetuity.

IN WITNESS WHEREOF, Grantor has executed this Dedication on the day and year first above written.

Belinda Faustinos

for Mountains Recreation and Conservation Authority
"Grantor"

STATE OF CALIFORNIA )
COUNTY OF LOS ANGELES ) ss.

On December 7, 1995, before me the undersigned, a Notary Public in and for said State, personally appeared

Belinda Faustinos

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her 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
CONSENT TO RECORDATION

This is to certify that the Dedication of Scenic Easement set forth above dated December 7, 1995, and signed by the Mountains Recreation and Conservation Authority, Grantor, is hereby acknowledged by the undersigned officer on behalf of the California Coastal Commission when it granted Coastal Development Permit No. 5-91-436 on July 18, 1991, and the California Commission consents to recordation thereof by its duly authorized officer.

Dated: 1/9/96

[Signature]

CALIFORNIA COASTAL COMMISSION

Peter Douglas, Executive Director

STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

On 1/9/96, before me, Deborah L. Bove, a Notary Public, personally appeared Peter Douglas, 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.

Signature [Deborah L. Bove]
EXHIBIT A

OPEN SPACE PROPERTY

The following described real property in the County of Los Angeles, State of California:

The West half of the West half of the Northeast Quarter of the Southwest Quarter of the Southeast Quarter of Section 9, Township 1 South, Range 17 West, San Bernardino Meridian, in the County of Los Angeles, State of California, according to the Official Plat of said land, filed in the District Land Office, August 31, 1896.