Recorded at the request of, and return to:

Napa Sanitation District P.O. Box 2480 Napa, CA 94558

Exempt from Recording Fees Per G.C. 27383

RE: APN 43-070-020 & 43-070-021 Lots 1 through 54 in Chesapeake Village

PRIVATE SANITARY SEWER MAIN & LATERAL AGREEMENT

THIS AGREEMENT, made by and between Meadow Creek Group, LLC, a California Limited Liability Company (Owner) and the Napa Sanitation District, a California Special District (NSD), provides:

RECITALS:

- A. The Owner is the fee simple owner of certain real property located within the City of Napa, California (the Property), known as Parcels 1 through 54 as shown on the map entitled "Final Map of Chesapeake Village" filed in the office of the County Recorder of Napa County in Book ______ of Record Maps at Pages _____.
- B. Due to the configuration of the subject parcels, the parties have agreed that the Owner will own and maintain a private sanitary sewer main on the Property (the "sewer main improvements"). The parties have agreed that this private ownership arrangement is preferable to a public sanitary sewer main, which would require an easement dedicated to NSD.
- C. This Agreement is to clarify the rights, duties and obligations of the parties regarding the maintenance of the sewer main improvements on the Property and the laterals serving the individual parcels (the "sewer lateral improvements").

AGREEMENT:

1. Maintenance of the Sanitary Sewer Main.

The Owner, on behalf of parcels 1 through 54, comprising the Property, and for the benefit of each future owner thereof and NSD, hereby agrees, that the owners of all the parcels (Owners in Common) served by the sewer main improvements, as shown on Exhibits A, B, C, D, E, F and G attached hereto and incorporated herein by this reference, shall be responsible for the maintenance, repair and replacement as necessary of the sewer main improvements. The costs of this obligation shall be borne by the Owners in common in proportion to their ownership of the number of parcels served by the sewer main improvements.

2. Maintenance of Sewer Laterals.

The Owner, on behalf of parcels 1 through 54, comprising the Property, and for the benefit of each future owner thereof and NSD, hereby agrees that the owners of each parcel shall be responsible for the maintenance, repair and replacement as necessary of all portions of the sewer lateral improvements from the owner's building to the sewer main improvements. In addition, the owner of each parcel shall be responsible for the installation and maintenance of a Napa Sanitation District approved overflow device. This device shall be installed on the sewer lateral improvements serving the Owners building, and shall be located within two (2) feet of the building.

3. <u>Notice to Subsequent Owners</u>

In the event that ownership of parcels 1 through 54 is transferred to a subsequent owner(s), the Owner of that parcel agrees to notify in writing the subsequent owner(s) a minimum of thirty (30) days prior to the close of escrow on the subject parcel, of the existence of this recorded agreement.

4. <u>Hold Harmless; Indemnification.</u>

- a. The Napa Sanitation District shall not, nor shall any elective or appointive boards, commissions, officers, agents or employees of NSD, be liable or responsible for any accident, loss, damage or injury, including death, as well as claims for property damage that may arise in the course of construction, operation or maintenance of the sewer main improvements or sewer lateral improvements.
- b. Owners agree to, and shall hold harmless and indemnify the NSD and its elective or appointive boards, commissions, officers, agents or employees from any liability for damage or claims for damage for personal injury, including death, as well as from claims for property damage which may arise in the course of construction,

operation, or maintenance of the sewer main improvements or sewer lateral improvements.

- c. Owners agree to, and shall upon request, promptly and fully defend NSD and its elective or appointive boards, commissions, officers, agents or employees, from any suits or actions at law or in equity for damages caused or alleged to have been caused, by reason of any activities for which Owners are indemnifying NSD under paragraph 4(b) above.
- d. The provisions of this section shall apply to all damages and claims for damage of every kind suffered or alleged to have been suffered, in the course of construction, operation, or maintenance of the sewer main improvements or sewer lateral improvements regardless of whether or not the Napa Sanitation District has prepared, supplied, or approved of the improvement plans and/or specifications for the land division or the sewer main improvements or sewer lateral improvements relating thereto, and regardless of whether or not insurance policies may be determined to be applicable to any of such damages or claims for damages.

5. General Provisions.

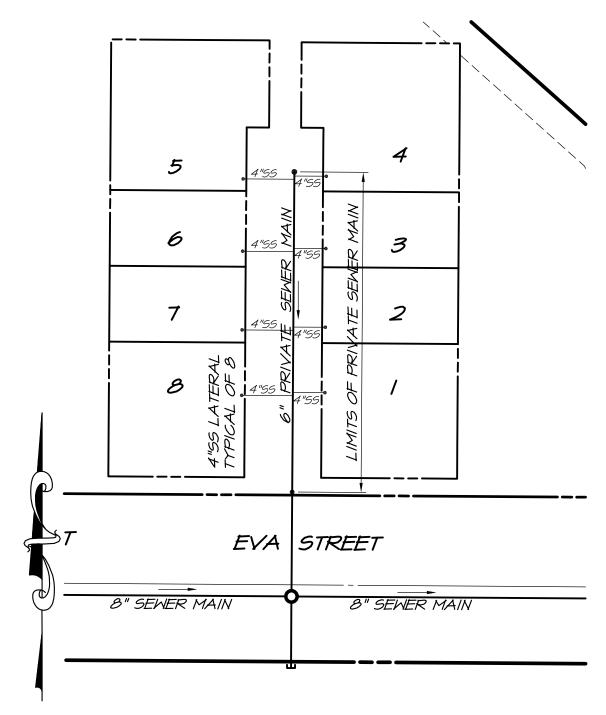
This Agreement contains the entire agreement of the parties and cannot be amended or modified except by written agreement. This Agreement shall be construed and interpreted in accordance with the laws of the State of California. This Agreement shall run with the property and the parcels comprising it, and be binding on and inure to the benefit of the respective successors, assigns, heirs, and personal representatives of the parties.

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| IN WITNESS WHEREOF , Owner and set forth below. | d NSD have executed this Agreement on the dates |
|--|---|
| BY THE OWNER, this SANITATION DISTRICT, this | day of, 2011 and BY NAPA day of, 2011. |
| NAPA SANITATION DISTRICT | OWNER: MEADOW CREEK GROUP, LLC |
| By:Chair, Board of Directors | By: Dave Sanson, Managing Partner |
| ATTEST: | |
| By:Secretary, Board of Directors | - |
| APPROVED AS TO FORM: Legal Counsel | |
| By: | _ |
| Dated: , 2011 | |

All signatures must be notarized.

11-chesapeake village pvt main



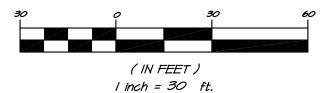
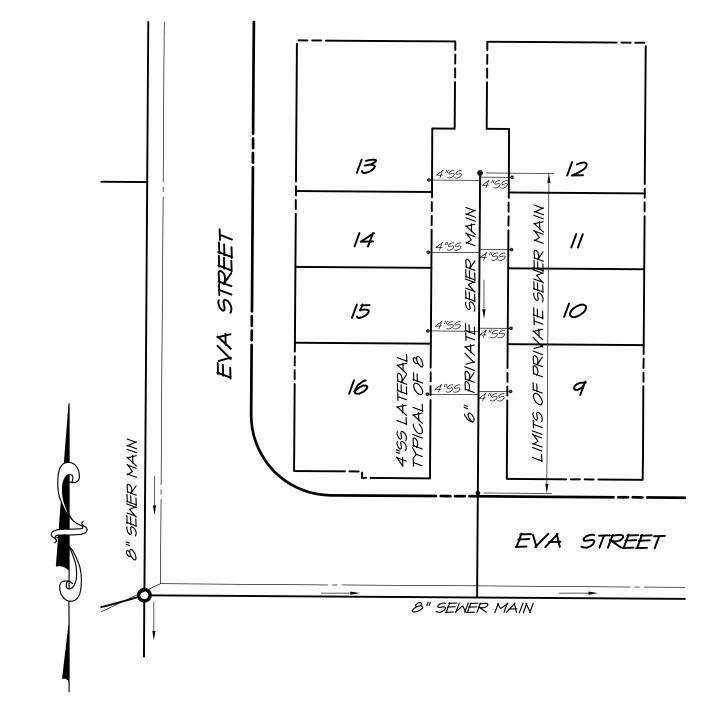


EXHIBIT A



1541 Third Street Napa, Calif. 94559 v 707.252.3301 f 707.252.4966



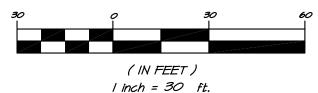
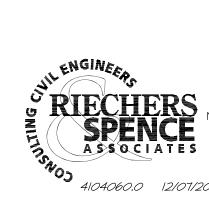
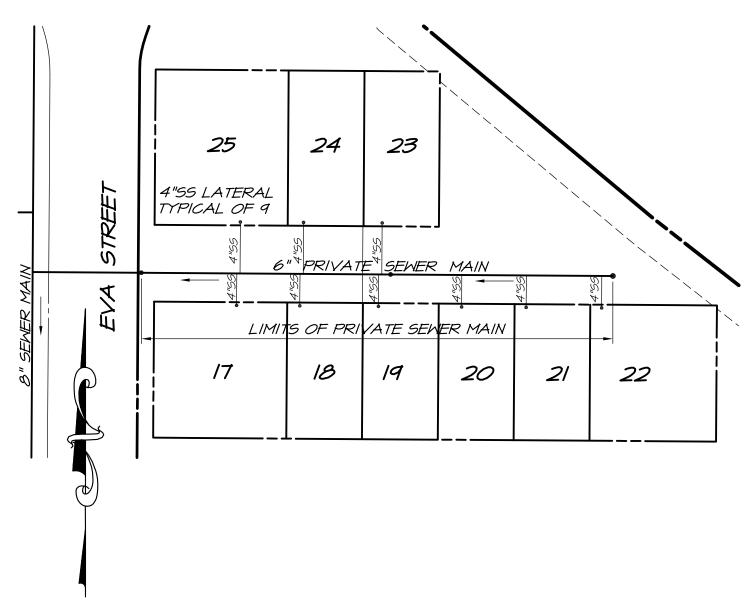


EXHIBIT B



1541 Third Street Napa, Calif. 94559 v 707.252.3301 f 707.252.4966

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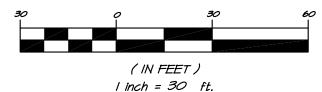
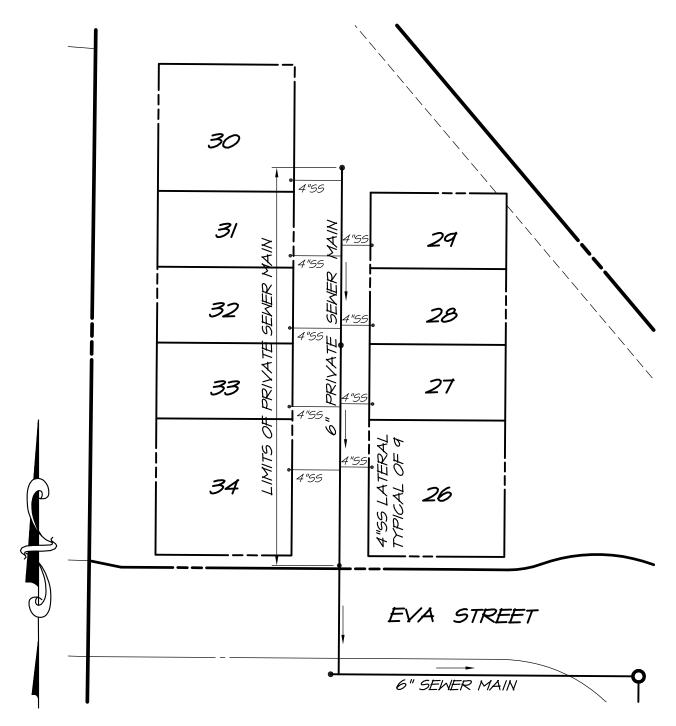


EXHIBIT C



1541 Third Street Napa, Calif. 94559 v 707.252.3301 f 707.252.4966

12/07/2007 Ex_A-G.dwg



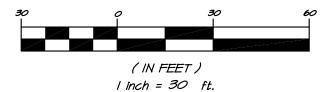
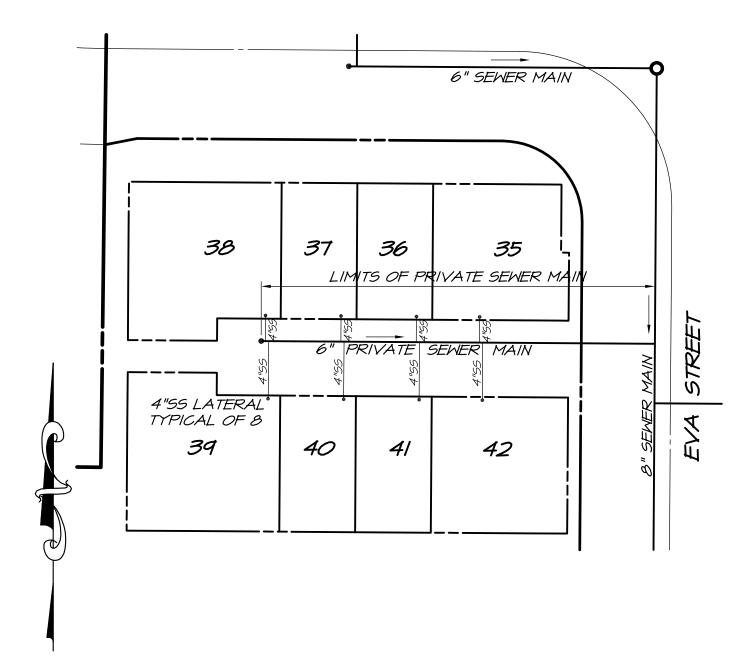


EXHIBIT D



1541 Third Street Napa, Calif. 94559 v 707.252.3301 f 707.252.4966

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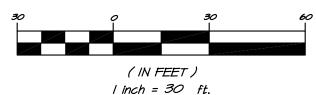
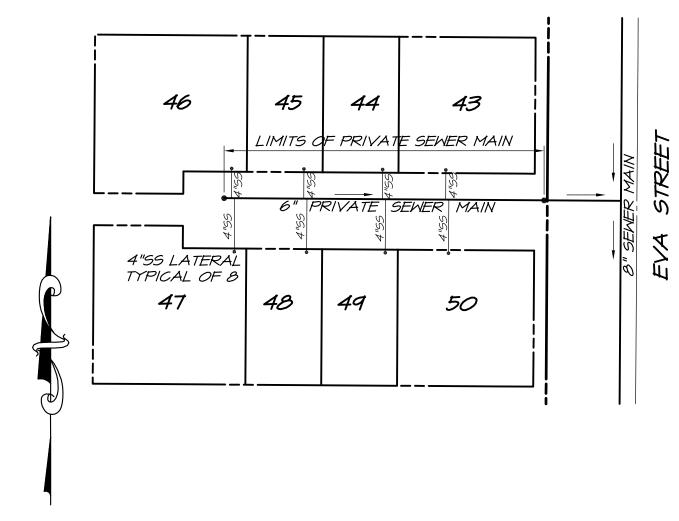


EXHIBIT E



1541 Third Street Napa, Calif. 94559 v 707.252.3301 f 707.252.4966

12/07/2007 Ex_A-G.dwg



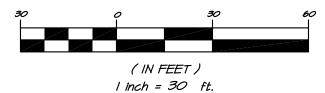
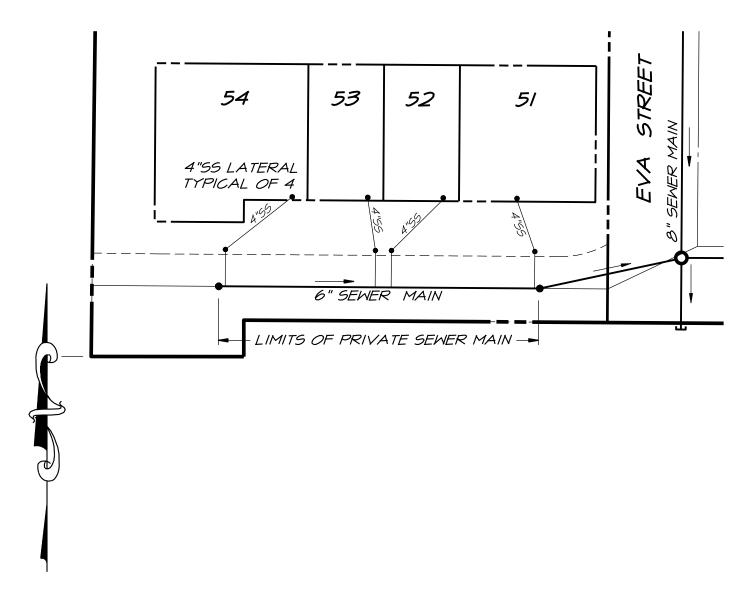


EXHIBIT F





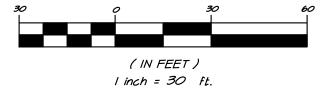


EXHIBIT G



1541 Third Street Napa, Calif. 94559 v 707.252.3301 f 707.252.4966