

**CONSENT AGREEMENT TO ASSIGNMENT OF
SOMKY RANCH LEASE AGREEMENT AND RELATED AGREEMENT
FOR THE PURCHASE AND SALE OF RECYCLED WATER**

This Consent Agreement (this “**Agreement**”) is entered into as of _____, 2016 by and between the Napa Sanitation District (the “**District**”) and Marriott International, Inc., a Delaware corporation (the “**Assignee**”), with respect to transfer of certain rights and responsibilities under that certain Somky Ranch Lease Agreement by and between the District and HCV Napa Associates LLC, a California limited liability company (“**HCV**”), dated July 1, 2008, as amended by that certain First Amendment to Lease dated November 3, 2010 and that certain Second Amendment to HCV Lease dated June 30, 2014, and as assigned pursuant to that certain Assignment and Assumption of Lease dated February 11, 2015 (the “**Assignment and Assumption of Lease**”) (collectively, the “**Lease**”) and under that certain Agreement for the Purchase and Sale of Recycled Water dated July 1, 2008, as amended by that certain First Amendment to Water Purchase Agreement, dated November 3, 2010, and as assigned pursuant to the Assignment and Assumption of Lease (collectively, the “**Water Purchase Agreement**”). The District and Assignee are collectively referred to herein as the “**Parties**”.

RECITALS

A. The District and HCV entered into the Lease and the Water Purchase Agreement for the purpose of authorizing HCV to improve and operate the leased property as a golf course and to purchase recycled water for the purpose of irrigating the golf course. HCV assigned all of HCV’s rights, interests, duties, and obligations in the Lease and the Water Purchase Agreement to Napa LH I, LLC, a Delaware limited liability company (the “**Assignor**”) pursuant to the Assignment and Assumption of Lease, consent to which was given by the District on February 15, 2015.

B. Assignor has entered into that certain Purchase and Sale Agreement and Joint Escrow Instructions with Assignee, dated January 13, 2016, pursuant to which Assignor intends to transfer all of its rights, interests, duties, and obligations in the Lease and the Water Purchase Agreement to Assignee.

C. Pursuant to Section 10 of the Lease, the District’s prior written consent is required to any assignment of the Lease, and, pursuant to Section 5 of the Water Purchase Agreement Addendum, the Water Purchase Agreement is assignable in conjunction with an assignment of the Lease.

D. Pursuant to Section 10 of the Lease, the District has considered the materials provided by the Assignor concerning the qualifications of the Assignee to perform the obligations of “Tenant” under the Lease.

NOW, THEREFORE, in consideration of the mutual covenants and promises of the Parties herein contained, the Parties agree as follows:

1. Recitals. The Parties find and determine that the above recitals are true and correct and are incorporated in this Agreement.

2. Approval. The District hereby approves the assignment of Assignor’s rights and obligations under the Lease and the Water Purchase Agreement to Assignee.

3. Assumption of Rights and Obligations. Assignee assumes all rights, interests, duties, and obligations arising under the Lease and the Water Purchase Agreement from and after the date hereof and agrees to (a) exercise such rights and perform such obligations as “Tenant” and “User,” respectively, in a manner consistent with and subject to the terms and provisions of, respectively, the Lease and the Water Purchase Agreement, and (b) fully and faithfully to pay, perform and discharge, as and when payment, performance and discharge are due, any and all such rights, interests, duties and obligations. In addition, Assignee agrees to be trained by District in the proper use of recycled water in accordance with District’s generally applicable rules and regulations.

4. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

5. Counterparts. This Agreement may be executed in any number of counterparts, each of which is deemed an original, and all of which together constitute one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF, the District and Assignee have executed this Agreement as of the date first written above.

DISTRICT:

Napa Sanitation District

By: _____
General Manager

Attest:

By: _____
District Secretary

Approved as to Form:

By: _____
District Counsel

ASSIGNEE:

Marriott International, Inc.,
a Delaware corporation

By: _____
Name: _____
Title: _____