

RECORDED AT THE REQUEST OF AND
RETURN TO:

Napa Sanitation District
1515 Soscol Ferry Road
Napa, CA 94558

Exempt from Recording Fees
Per G.C. 27383

RE: Stanly Ranch – Vineyard Homes
APNs 047-410-001, 047-410-002, 047-410-003, 047-410-004, 047-410-005, 047-410-006,
047-410-007, 047-410-008, 047-410-009, 047-410-010

PRIVATE SANITARY SEWER AND RECYCLED WATER MAIN AGREEMENT

THIS AGREEMENT is made as of this _____ day of _____, 20____ by and between SRGA VINEYARD HOMES LP, a Delaware limited partnership (“Owner”), SRGA RESORT LP, a Delaware limited partnership, (“Resort Owner”) and the Napa Sanitation District, a California special district (“District”) with reference to the following facts.

RECITALS

A. The Owner is the fee simple owner of certain real property located within the City of Napa, California, known as Lots 1 through 10, (individually, the “Parcels”) as shown on the map entitled “Stanly Ranch – Vineyard Homes” filed in the office of the County Recorder of Napa County in Book 28 of Final Maps at Pages 37-50 (the “Property”). The Parcels are being developed with 70 condominiums (“Condominiums”). The Resort Owner is the fee simple owner of the Resort Property, which abuts the Property, is located within the City of Napa, California, and described in Exhibit “C” attached hereto and incorporated herein by this reference (“Resort Property”).

B. Due to the configuration of the Parcels, the parties have agreed that the Resort Owner will own and maintain the private sanitary sewer and recycled water mains on the Property (the “Private Mains”). The Private Mains benefit the Property and the Resort Property. The parties have agreed that this private ownership arrangement is preferable to public mains owned and maintained by the District, which would require an easement dedicated to the District and certain setback and access requirements.

C. The Stanly Ranch Joint Use and Maintenance Agreement, which establishes covenants, conditions, and restrictions (“CC&Rs”) associated with the Property, shall provide that the “Private Mains” are any line that runs from the Napa Sanitation District’s public sanitary mains located within the public easements to a location on private property.

D. This Agreement is to clarify the rights, duties and obligations of the Owner, Resort Owner and District regarding the maintenance of the Private Mains and the private laterals that connect each building or irrigation system to the Private Mains ("Lateral").

AGREEMENT

1. Construction of Private Mains and Laterals. Except for the setbacks and access requirements, the design and construction of the Private Mains and Laterals, as shown on Exhibit A and Exhibit B attached hereto and incorporated herein by this reference, shall be carried out in full accordance with all District specifications. The District must inspect and sign off on the construction before it is backfilled.

2. Maintenance of the Private Mains. The Owner and the Resort Owner, on behalf of themselves and for the benefit of each future owner of Condominiums within the Parcels comprising the Property and the District, hereby agree that the CC&Rs shall establish appropriate provisions requiring the Resort Owner and all future owners of the Resort Property (the "Resort Owners") to agree to maintain, repair and replace as necessary the Private Mains, and for the Owner and all future owners of Condominiums within the Property (the "Condominium Owners") to contribute towards the costs incurred by the Resort Owners as provided in the CC&Rs through payment of regular assessments to the Vineyard Homes Association as defined in the CC&Rs ("Association") and payment by the Association to the Resort Owner, as set forth in the CC&Rs. The costs of this obligation shall be borne by the Resort Owners and the Association, both of which are served by the Private Mains. The CC&R provisions that implement this Agreement shall not be altered or revised without the prior written approval of the District.

3. Maintenance of Laterals. The Resort Owner, on behalf of itself and for the benefit of the Condominium Owners and the District, hereby agrees, in accordance with the CC&R's, to be responsible for the maintenance, repair and replacement as necessary of all portions of any Private Laterals.

4. Performance of Required Maintenance by Managing Parcel Owner. The Resort Owner shall perpetually serve as the Managing Parcel Owner for purposes of this Agreement.

(a) The Managing Parcel Owner ("Managing Parcel Owner") shall be responsible for contracting with appropriate licensed contractors to perform the inspection and maintenance work required hereunder and for ensuring that any required documentation is submitted to the District. The Managing Parcel Owner also shall be responsible for distributing proof of inspection to the Association which shall retain copies of such proof. The Managing Parcel Owner shall promptly notify the Association of the estimated cost of any work of maintenance, operation, repair or replacement which is identified by the contractor(s). The Managing Parcel Owner may also have such other responsibilities as set forth in the CC&Rs. The CC&Rs may provide that the Association at its sole cost and expense shall be responsible for maintenance, repair and replacement of recycled water pipes, mains and components which are used to irrigate landscaping within the Association Maintenance Area (as that term is used

in the CC&Rs) situated within the Parcels, but the Managing Parcel Owner shall have the obligations to do so at the expense of the Association if the Association fails to do so.

(b) As an alternative to the Managing Parcel Owner directly employing contractors, the Managing Parcel Owner may select and contract with a certified property management company ("Management Company") experienced in managing real property in the North Bay Area to work with the Managing Parcel Owner and performing all or a portion of his/her responsibilities. Any contract with a Management Company shall not exceed three (3) years in length and shall be terminable for cause. District shall have no responsibility for the cost of employing the Management Company which shall be allocated as provided in the CC&Rs.

(c) Costs of Maintenance.

(1) Allocation of Costs. The costs of inspection, maintenance repair, or replacement of the Private Mains shall be borne by the Resort Owner for the benefit of the Condominiums served by the Private Mains; however, the Resort Owner shall have the right to allocate costs to the Association and to the Villas Association as provided in the CC&Rs. In the event of damage to the Private Mains caused by the sole negligence or willful action of a Condominium Owner or its invitee, then that Condominium Owner shall be solely responsible for the costs incurred by the Resort Owner in arranging for the repairs, including payment of the cost of repairs. The work shall be promptly commenced and diligently pursued to completion.

(2) Enforcement of Nonpayment. In accordance with California law, and in addition to all other remedies provided by law, the Resort Owner may enforce the obligations of this Agreement, including the obligation of other parties to pay the costs or special charges provided for in this Agreement, including interest thereon at the maximum rate allowed by law in any manner provided by law including, but not limited to, by maintaining a suit at law against any person personally obligated to pay a cost or charge. Any judgment rendered in any action shall include the amount of the delinquency accumulated interest and any other amounts as the court may award.

5. Grant and Establishment of Reciprocal Easements. The Association grants to the Resort Owner as owner of the Resort Property, as the dominant tenement, the following mutual, perpetual, and reciprocal easements:

(a) Access Easement. A nonexclusive easement over and under the private roads and any other portion of each Parcel under which the Private Mains is situated, encumbering each Parcel to provide vehicular and equipment ingress and egress.

(b) Maintenance Easement. Each Parcel as a servient tenement is subject to an easement in favor of each other Parcel as the dominant tenement for the purpose of providing the Resort Owner and its agents such access as may be necessary to perform the maintenance duties described herein.

The easements granted herein shall be deemed to be established upon the recordation of this Agreement, whether or not they are set forth in the grant deed to a Condominium or a Parcel, and shall thenceforth be deemed to be and are enforceable as equitable servitudes and covenants running with the land for the use and benefit of the Resort Owner.

6. Notice to Subsequent Owners. In the event that the Resort Property or the Association's ownership interests in the Property or any portion thereof is transferred to a subsequent owner(s), the transferor agrees to notify in writing the subsequent owner(s) a minimum of thirty (30) days prior to the close of escrow of the existence of this recorded agreement.

7. Hold Harmless; Indemnification.

(a) The District shall not, nor shall any elective or appointive boards, commissions, officers, agents or employees of the District (collectively, "Indemnitees"), 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 Private Mains or any Laterals except for accident, loss, damage, injury, death and claims for property damages caused by the negligence or intentional misconduct of the District, its agents or employees.

(b) To the fullest extent permitted by law, Resort Owner and the Association each agrees to, and shall hold harmless and indemnify the Indemnitees from any and all liability, loss, cost, expense (including without limitation attorney's fees and costs of litigation), claim, demand, action, suit, judicial or administrative proceeding, penalty, deficiency, fine, order, and damage (collectively, "Claims"), which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, result from, or relate to the construction, operation, or maintenance of the Private Mains or Laterals except for Claims caused by the sole and active negligence or intentional misconduct of the Indemnitees.

(c) Each Condominium Owner agrees, by acceptance of title to a Condominium, to hold harmless and indemnify the Indemnitees from any Claims which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, result from, or relate to the construction, operation, or maintenance of the Private Mains or Laterals except for Claims caused by the sole and active negligence or intentional misconduct of the Indemnitees.

(d) The Resort Owner and the Association agree to, and shall upon request, promptly and fully defend the Indemnitees 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 they are indemnifying the Indemnitees under paragraph 7(b) above.

(e) The provisions of this section shall apply to all Claims of every kind suffered or alleged to have been suffered, in the course of construction, operation, or maintenance of the Private Mains or Laterals regardless of whether or not the District has prepared, supplied, or approved of the improvement plans and/or specifications for the land division or the Private Mains or Laterals relating thereto, and regardless of whether or not insurance policies may be determined to be applicable to any of such Claims.

8. Covenants Running with the Land. The provisions of this Agreement shall be equitable servitudes and covenants running with the land, binding upon and inure to the benefit of each Parcel, the Resort Property, the Association and any successors. The provisions of this Agreement are enforceable by Owner, the Resort Owner, the District and the Association and each shall have the right to enforce, in any manner permitted by law or in equity, including by arbitration, any and all of the provisions of this Agreement upon one another.

9. Failure to Maintain. In the event the District believes that the Resort Owner or the Association has failed to comply with the requirements of this Agreement, or if the District believes that lack of proper maintenance has created the potential for adverse impacts to public health and safety, the District is hereby granted the right to enter upon the Property to access the Private Mains and perform whatever work is reasonably necessary to correct the situation. In such case, the District may bill the Resort Owner for the entire cost and expense of such maintenance, including administrative costs, and interest to the maximum amount permitted by law from and after 30 days from the date the maintenance expense bill is mailed by the District to the Resort Owner, their successors and assigns. In the event any such maintenance expense bill is not paid within said 30 days, the District may initiate a civil action to recover the amount owed, and the prevailing party in such action shall be entitled to recover its costs, including reasonable attorney's fees. The District also shall be entitled to cause a lien for any such unpaid maintenance expense bill to be recorded against the Resort Property. In addition, the District shall be entitled to have the unpaid amount of the maintenance expense bill placed as a special assessment on the next regular tax bill levied against the Resort Property, after which such assessment shall be collected in the same manner as ordinary municipal taxes are collected, and shall be subject to the same penalties and same procedures under foreclosure and sale in the case of delinquency as provided for ordinary municipal taxes. The actions described in this section are in addition to and not in lieu of other legal remedies provided by law. Notwithstanding the above, it is understood that the District is under no obligation to repair or maintain the Private Mains or the Laterals and in no event shall this Agreement be construed to impose any such obligation on the District.

10. Pollution Liability. The Resort Owner and the Association are responsible for impacts from sanitary sewer overflows or recycled water leaks from the Private Mains or Laterals. The Resort Owner's or Association's liability for such sanitary sewer overflows or recycled water leaks shall include, but not be limited to, cleanup and repair costs and any fines imposed by local, state or federal regulatory agencies in connection with such sanitary sewer overflows or recycled water leaks. To the fullest extent permitted by law, the Resort Owner or

the Association shall also indemnify, defend and hold Indemnitees harmless from any and all Claims, which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, result from, or relate to sanitary sewer overflows or recycled water leaks from the Private Mains or Laterals.

11. 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. Except for its own obligations to indemnify and hold harmless the District, the Resort Owner may assign its rights and delegate its obligations under this Agreement to a successor Resort Owner without the consent of the District, whereupon the Resort Owner shall have no further liability to the District hereunder.

12. Amendment of CC&Rs. Owner agrees to include a provision in the CC&Rs that requires the District approval before any amendments can be made to the CC&Rs that affect any District-requested provisions.

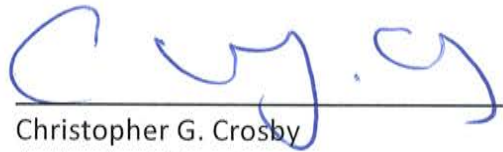
* * * * *

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

OWNER:

SRGA VINEYARD HOMES LP,
a Delaware limited partnership

By:

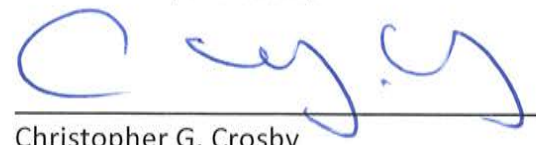


Christopher G. Crosby
Authorized Signatory

RESORT OWNER:

SRGA RESORT LP,
a Delaware limited partnership

By:



Christopher G. Crosby
Authorized Signatory

NAPA SANITATION DISTRICT:

Napa Sanitation District, a California Special District

By:

Scott Sedgley
Chair, Board of Directors

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

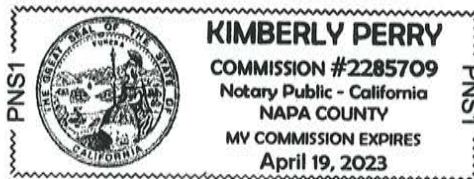
County of Napa

On July 14, 2021 before me, Kimberly Perry, Notary Public
(insert name and title of the officer)

personally appeared Christopher G. Crosby,
who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.



Signature Kimberly Perry (Seal)

ATTEST:

By:

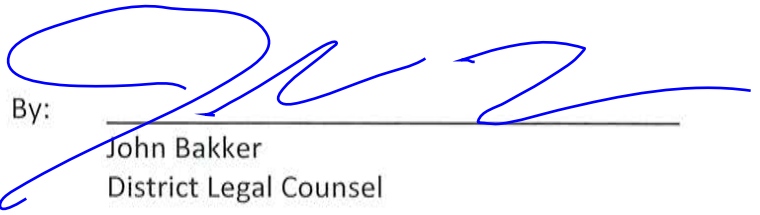
Cheryl Schuh
Secretary, Board of Directors

All signatures must be notarized.

Attachments: Exhibit A, Exhibit B, Exhibit C

APPROVED AS TO FORM:

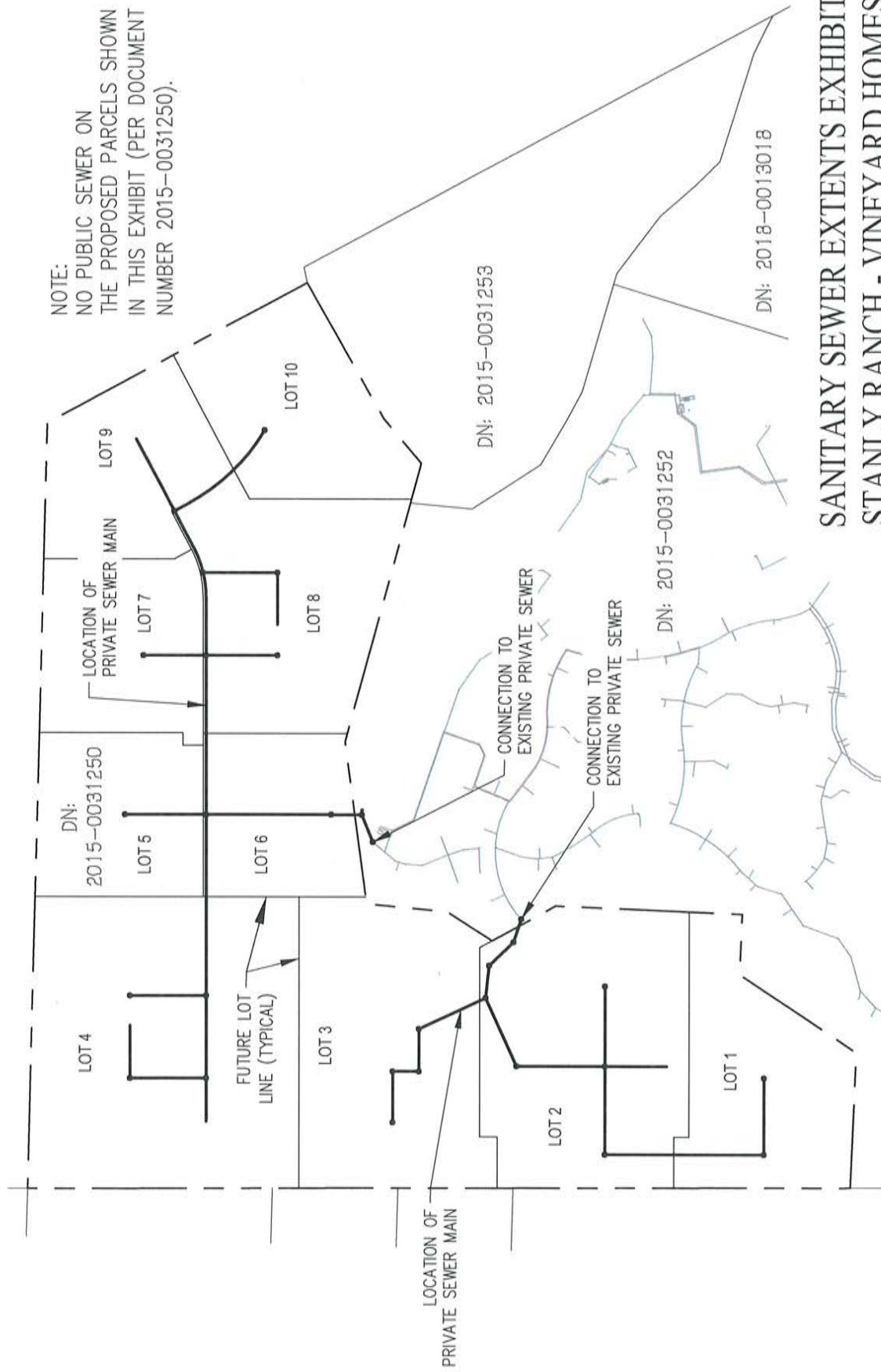
By:



John Bakker

District Legal Counsel

EXHIBIT A



SANITARY SEWER EXTENTS EXHIBIT STANLEY RANCH - VINEYARD HOMES

CITY OF NAPA NAPA COUNTY CALIFORNIA

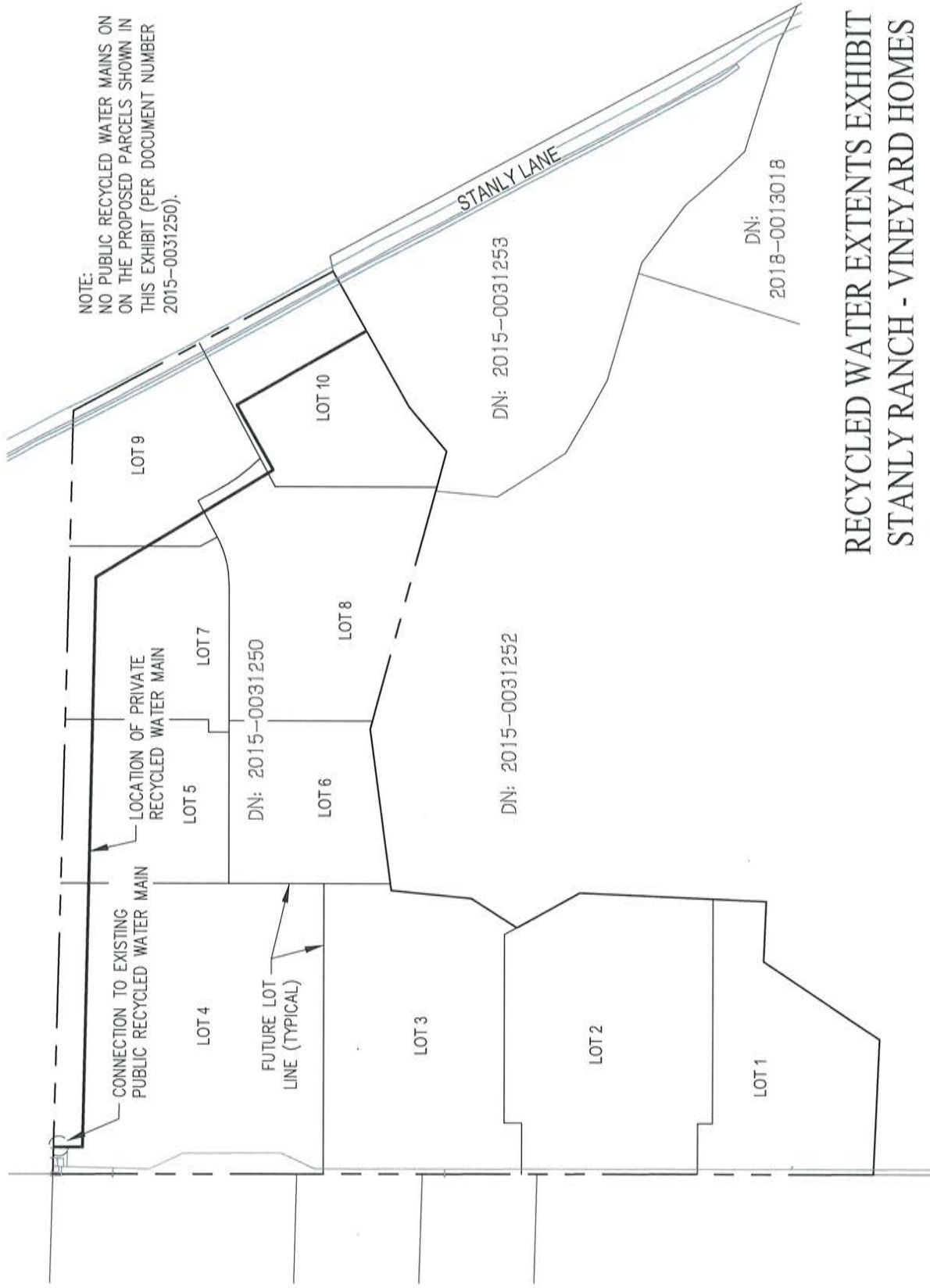
DATE: JUNE 8, 2020 SCALE: 1"=300'



SAN RAMON (925) 866-0322
SACRAMENTO (916) 375-1877
WWW.CBANDG.COM

CIVIL ENGINEERS • SURVEYORS • PLANNERS

EXHIBIT B



RECYCLED WATER EXTENTS EXHIBIT STANLEY RANCH - VINEYARD HOMES

CITY OF NAPA NAPA COUNTY CALIFORNIA

DATE: JUNE 9, 2020 SCALE: 1"=300'

SAN RAMON (925) 866-0322
SACRAMENTO (916) 375-1877
WWW.CBANDG.COM



CIVIL ENGINEERS • SURVEYORS • PLANNERS

#4113070.0
Resort Parcel
June 2018

EXHIBIT "C"

Being portions of Parcel 3, Parcel 4, Parcel 9 and Parcel 10 as shown on the map entitled "Final Map of the Stanly Ranch Subdivision" filed February 25, 2004 in Book 24 of Record Maps at Pages 23 thru 32, Napa County Records and described as follows:

Commencing at the north corner of said Parcel 3 as shown on said Stanly Ranch Subdivision Map; thence along the northeast line of said Parcel 3 South 66° 32' 17" East 591.62 feet; thence leaving said northeast line South 22° 00' 00" West 310.00 feet; thence South 11° 14' 38" West 116.14 feet; thence South 67° 00' 00" West 82.00 feet to a point that bears North 32° 42' 46" West 123.06 feet from a north corner of Parcel 10 of said Stanly Ranch Subdivision said point being the **Point of Beginning**; thence continuing South 67° 00' 00" West 492.86 feet; thence South 44° 00' 00" West 324.64 feet; thence South 33° 00' 00" East 161.98 feet; thence South 6° 00' 00" East 108.00 feet; thence South 67° 00' 00" East 145.00 feet; thence South 36° 00' 00" East 375.00 feet; thence South 54° 00' 00" West 120.00 feet; thence South 5° 00' 00" East 280.00 feet; thence South 54° 00' 00" West 269.90 feet to the southwest line of said Parcel 9; thence along said southwest line South 38° 31' 23" East 300.00 feet; thence North 53° 24' 17" East 6.60 feet; thence South 39° 06' 35" East 23.71 feet to the south corner of said Parcel 9; thence along southeast line of said Parcel 9, Parcel 10 and Parcel 4 North 53° 51' 05" East 1712.10 ft. to a point that is South 53° 57' 05" West 855.00 feet from a corner on said southeast line thence leaving said southeast line North 36° 02' 54" West 375.00 feet; thence North 62° 00' 00" West 133.09 feet; thence North 21° 19' 38" West 391.64 feet; thence South 68° 00' 00" West 222.72 feet; thence South 80° 14' 09" West 64.80 feet; thence South 82° 05' 52" West 102.59 feet; thence North 71° 05' 21" West 162.64 feet; thence North 33° 05' 36" West 124.70 feet to the **Point of Beginning**.

APN: 047-230-061

END OF DESCRIPTION

