

RECORDING REQUESTED BY:

County of San Luis Obispo

AND WHEN RECORDED MAIL TO:

Director of Planning and Building
County of San Luis Obispo
County Government Center
San Luis Obispo, California 93408

APN 085-012-044

NOTICE OF CANCELLATION OF COVENANT AND AGREEMENT
RESTRICTING USE OF PROPERTY, AND AGREEMENT

THIS NOTICE OF CANCELLATION OF COVENANT AND AGREEMENT
RESTRICTING USE OF PROPERTY, AND AGREEMENT is made and executed on
this 5th day of November, 2014, by and between Paul O. Scheibe, Marlene C.
Scheibe, Lawrence Floth, Lynn Floth, hereinafter referred to as "Owners," and the
COUNTY OF SAN LUIS OBIPSO, a political subdivision of the State of California,
hereinafter referred to as "County."

WITNESSETH:

WHEREAS, Owners are the record owner of that certain parcel of land
(hereinafter referred to as "Owners' Property") located at 6250 Huasna Townsite Road,
Arroyo Grande, California, more particularly described in Exhibit A attached hereto and
incorporated by reference herein as though set forth in full.

WHEREAS, in connection with an application for issuance of a building permit
(PMT2003-02933) for a second residential unit on Owners' Property and as required by
San Luis Obispo County Code section 22.30.470, Owners executed and recorded that

certain document entitled "Covenant And Agreement Restricting Residential Use Of Property" as Document No. 2004060264 on July 9, 2004 ("Covenant"), a copy of which is on file in the office of the County Recorder and is incorporated by reference herein as though set forth in full;

WHEREAS, the second residential unit on Owners' Property is a manufactured home and, as a result, future purchasers of Owners' Property will likely need to obtain a mortgage backed by the Federal Housing Administration ("FHA") in order to purchase the property;

WHEREAS, current federal regulations preclude the United States Department of Housing and Urban Development ("HUD") and the FHA from insuring loans for single-family housing on properties that include any form of legal restriction on conveyance on title;

WHEREAS, HUD has interpreted the Covenant to be a legal restriction on conveyance under the terms of its regulations, and, as a result, the FHA has refused to insure any mortgages on Owners' Property;

WHEREAS, Owners have supplied the County with evidence that the Property is unsalable as a result of the Covenant and the aforementioned HUD regulation;

WHEREAS, Owners have requested and the County Board of Supervisors ("Board") have agreed that the Covenant shall be cancelled to enable Owners' Property to be sold; and

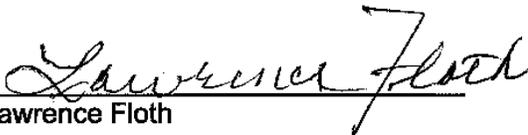
WHEREAS, Owners agree to notify prospective purchasers of the owner-occupancy requirements of San Luis Obispo County Code section 22.30.470, which shall continue to apply to Owners' Property notwithstanding this cancellation.

NOW, THEREFORE, good cause and extraordinary circumstances having been shown, County agrees to cancel the above-mentioned "Covenant And Agreement Restricting Residential Use Of Property" recorded as Document No. 2004060264 on July 9, 2004, in the office of the County Recorder. Owners agree to notify prospective purchasers of the requirements of San Luis Obispo County Code section 22.30.470, including the owner-occupancy requirements of subsection B.2 therein. Owners understand and agree that the County does not hereby waive or relinquish its rights or responsibilities to enforce the provisions of Section 22.30.470, or any other provision of County Code, as they may apply to Owners' Property.

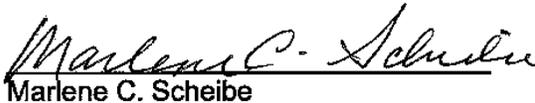
The parties hereto intend and consent to the recordation of this Notice Of Cancellation Of Covenant And Agreement Restricting Use Of Property, and Agreement in the office of the County Recorder of the County of San Luis Obispo.

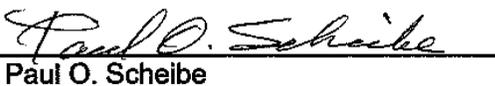
IN WITNESS WHEREOF, the parties hereto have executed this notice of cancellation the day and year first above written.

OWNERS*


Lawrence Floth


Lynn Floth


Marlene C. Scheibe


Paul O. Scheibe

[*Signatures must be notarized.]

COUNTY OF SAN LUIS OBISPO

By: _____
Chairperson of the Board of Supervisors

ATTEST:

Clerk of the Board of Supervisors

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL
County Counsel

By: 
Deputy County Counsel

Dated: 11/7/14

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN LUIS OBISPO)

On _____, before me, _____, Deputy County Clerk-Recorder, County of San Luis Obispo, State of California, personally appeared _____, who 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 he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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.

JULIE L. RODEWALD, County Clerk-Recorder and Ex-Officio Clerk of the Board of Supervisors

By: _____
Deputy County Clerk-Recorder

[SEAL]

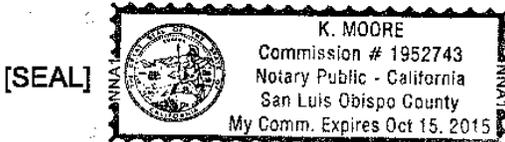
STATE OF CALIFORNIA)
)
) ss.
COUNTY OF SAN LUIS OBISPO)

On November 5, 2014, before me, K. Moore
a notary public in and for the State of California, personally appeared _____
Lawrence Stoth & Lynn Stoth

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 [Handwritten Signature]
Signature of Notary Public

STATE OF CALIFORNIA Nevada)
)
) ss.
Douglas)
~~COUNTY OF SAN LUIS OBISPO~~)

On Nov. 06, 2014, before me, Jehan Abdulla
a notary public in and for the State of California, personally appeared _____
Marlene C. Scheibe and Paul O. Scheibe

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~~ Nevada that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]
Signature of Notary Public

STATE OF CALIFORNIA)
)
COUNTY OF SAN LUIS OBISPO) ss.

On _____, 20____, before me, _____
a notary public in and for the State of California, personally appeared _____

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 _____
Signature of Notary Public

[SEAL]

STATE OF CALIFORNIA)
)
COUNTY OF SAN LUIS OBISPO) ss.

On _____, 20____, before me, _____
a notary public in and for the State of California, personally appeared _____

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 _____
Signature of Notary Public

[SEAL]

EXHIBIT A

PARCEL 1:

That portion of Lot 10 of the "Subdivision of part of the Rancho Huasna, in the County of San Luis Obispo, State of California, the property of Mrs. Flora Harloe, surveyed by A. F. Parsons, December 1904 and July 1905", according to map recorded August 9, 1905 in Book 1 at page 88 of Records of Survey, described as follows:

Beginning at the Northeasterly corner of said lot, which is designated on said map as "S 80"; thence along the Northeasterly line of said Lot, South 34° 51' 26" East to the Northeasterly corner of the land described in the deed to Maria Lynam, recorded March 6, 1906 in Book 69 at page 242 of Deeds, in the Office of the County Recorder of said County, said last Northeasterly corner being the True Point of Beginning; thence Westerly along the Northerly line of said land of Lynam 1855.80 feet; thence at right angles, Northerly 240.00 feet; thence Easterly parallel with said Northerly line 1774.20 feet to the Northeasterly line of said Lot; thence along said Northeasterly line, South 34° 51' 26" East to the True Point of Beginning.

Except therefrom that portion of said land described as follows:

Beginning at the Northeasterly corner of said lot, which is designated on said map as "S 80"; thence along the Northeasterly line of said Lot, South 34° 51' 26" East to the Northeasterly corner of the land described in the deed to Maria Lynam, recorded March 6, 1906 in Book 69 at page 242 of Deeds, in the Office of the County Recorder of said County; thence Westerly along the Northerly line of said land of Lynam 1855.80 feet; thence at right angles, Northerly 190.00 feet to the True Point of Beginning; thence Easterly parallel with said Northerly line 931.00 feet; thence at right angles, Northerly 30 feet; thence Westerly parallel with said Northerly line, 931.00 feet; thence at right angles, Southerly 30 feet to the True Point of Beginning.

PARCEL 2:

Parcel 3 of Parcel Map No. CO-66-51 in the County of San Luis Obispo, State of California, according to map recorded August 2, 1966 in Book 1, page 46 of Parcel Maps, in the Office of the County Recorder of said County.