

SETTLEMENT AND RELEASE AGREEMENT

This Settlement and Release Agreement (“Agreement”) is made and entered into by and among CITIZENS FOR SENSIBLE DEVELOPMENT IN EL DORADO HILLS (“CSDEDH”) and SUE TAYLOR (collectively, “Petitioners”), the COUNTY OF EL DORADO and EL DORADO COUNTY BOARD OF SUPERVISORS (collectively, “County”), and THE SPANOS CORPORATION, a California corporation (“Spanos”) (collectively, the “Parties,” and each, individually, a “Party”).

RECITALS

This Agreement is made with reference to and in consideration of the following facts and representations:

A. On December 2, 2014, the County approved General Plan Amendment A14-0001, Rezone Z14-0001, El Dorado Hills Specific Plan Amendment SP86-0002-R, Revision to Town Center East Development Plan PD94-0004R-2, and related Conditions of Approval, and, pursuant to the California Environmental Quality Act (“CEQA”), adopted a Subsequent Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for a 250-unit apartment complex project (collectively, the “2014 Project Approvals”) to be constructed on vacant property within the El Dorado Hills area of the County of El Dorado, identified as assessor’s parcel numbers 121-290-60, 121-290-61, and 121-290-62 (collectively, the “Property”). Spanos was the project applicant.

B. On January 2, 2015, CSDEDH filed a petition for writ of mandate in the El Dorado County Superior Court (Case No. PC20150001) challenging the 2014 Project Approvals, which resulted in a trial court judgment that was appealed and is now pending before the Court of Appeal, Third Appellate District (Case No. C081472) (the “2015 Action”). The Court of

Appeal deemed the case fully briefed on October 13, 2016, but has not yet calendared oral argument or rendered a decision.

C. On February 13, 2018, the County approved General Plan Amendment A16-0001, Rezone Z16-0004, El Dorado Hills Specific Plan Amendment SP86-0002-R-3, Revision to Town Center East Development Plan PD94-0004R-3, and related Conditions of Approval, and, pursuant to CEQA, certified an Environmental Impact Report and adopted a Mitigation Monitoring and Reporting Program for a 214-unit apartment complex project on the Property (collectively, the “2018 Project Approvals”). Spanos was the project applicant. The 2018 Project Approvals provide that those approvals will supersede the 2014 Project Approvals if either (1) the 2015 Action results in a final legal judgment requiring the County to rescind the 2014 Project Approvals, or (2) Spanos requests rescission of the 2014 Project Approvals.

D. On March 14, 2018, CSDEDH and Sue Taylor filed a petition for writ of mandate in the El Dorado County Superior Court (Case No. PC20180127) challenging the 2018 Project Approvals (the “2018 Action”).

E. The County and Spanos have denied, and continue to deny, the claims set forth in the 2015 Action and the 2018 Action. Nonetheless, the Parties desire to enter into this Agreement for the purpose of avoiding the burden, expense, uncertainty, and delay involved in continuing to litigate these actions.

F. In an effort to resolve the issues raised in both the 2015 Action and the 2018 Action, the Parties have engaged in settlement discussions. Based upon these discussions, and as more fully described below, the Parties have agreed that: Spanos will request rescission of the 2014 Approvals; the County will initiate proceedings by which the County Board of Supervisors will vote on rescission of the 2014 Approvals and modification of Policy 2.2.1.2 of the County General Plan; Spanos will record a restrictive covenant that, consistent with the 2018 Approvals,

ensures preservation of a portion of the Property for passive recreational uses by the public; and the Parties will take all necessary steps to terminate the appeal in the 2015 Action and dismiss with prejudice the 2018 Action.

G. By separate agreement, Petitioners and Spanos have agreed to terms for reimbursement of Petitioners' attorneys' fees and costs associated with both the 2015 Action and the 2018 Action.

H. This Agreement is the product of arms-length negotiations between the Parties and is entered into in good faith to (1) compromise and settle all claims in the 2015 Action and the 2018 Action and (2) allow development of the Property pursuant to the 2018 Approvals to proceed.

AGREEMENT

NOW, THEREFORE, in reliance on the above recitals, which are true and correct, and in consideration of the mutual covenants, conditions, and releases set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Stay of Litigation. Within five (5) business days of the Effective Date of this Agreement, the Parties shall file a stipulation and proposed order in the 2018 Action (El Dorado County Superior Court Case No. PC20180127) and in the 2015 Action (Third Appellate District Case No. C081472) requesting that the respective Courts stay the actions for six months, to allow sufficient time for the Parties to perform under this Agreement, as specified further below.

2. Request for Rescission of 2014 Approvals. Within five (5) business days of the Effective Date of this Agreement, Spanos shall submit to the County a request for rescission of the 2014 Approvals, with such rescission to be deemed effective upon entry of a dismissal of the 2018 Action with prejudice by the El Dorado County Superior Court. Such request for rescission

shall be made pursuant to the Conditions of Approval contained in the 2018 Approvals, which specify in part that the 2018 Approvals shall supersede the 2014 Approvals if the project applicant requests rescission of the 2014 Approvals.

3. County Actions. The County shall expeditiously process, pursuant to all relevant and applicable County procedures, the following two items, in preparation for a vote by the County Board of Supervisors at the earliest feasible time:

- a. Spanos' request for rescission of the 2014 Approvals, specified at Paragraph 2, above, and
- b. A County-initiated general plan amendment consisting of a revision to the second to last sentence of the Multifamily Residential (MFR) section of Policy 2.2.1.2 of the County General Plan as follows (new language underlined; deleted language stricken):

Except as provided in Objective 2.2.6 (Site Specific Policy Section), ~~t~~The minimum allowable density is five dwelling units per acre, with a maximum density of 24 dwelling units per acre.

The County shall, within five (5) business days, notify Petitioners and Spanos of the result of the Board of Supervisors vote on each of these two items ("BOS Actions"), which votes may occur on the same date or on different dates, at the discretion of the County. With respect to the proposed amendment of General Plan Policy 2.2.1.2, the BOS Action shall be the Board of Supervisors' vote on a motion to approve the amendment. While approval of the amendment to General Plan Policy 2.2.1.2 may be continued by the County for final action until the County's next "bundling" of general plan amendments for purposes of compliance with Government Code section 65358(b), the date the Board of Supervisors initially approves the amendment shall be the date that triggers the 90-day period described hereafter, with respect to that BOS Action. If

either or both of the BOS Actions are not unconditional approvals and/or any legal challenge is filed to either or both of the BOS Actions within 90 days (each “Rescission Right Events”), the Parties shall meet and confer within ten (10) business days of receiving notice of each Rescission Right Event, in a good faith effort to revise the Agreement in a manner acceptable to all Parties. If such an agreement cannot be reached within that ten (10) business day period, any Party may, within the next ten (10) business days (“Rescission Period”), at its sole discretion, elect to rescind this Agreement via written notification of rescission to all Parties, such that the Agreement shall be wholly canceled, annulled, and rendered void ab initio. Such a rescission shall not merely release the Parties from further performance under this Agreement, but shall, to the maximum extent practicable, restore the Parties to the relative positions that they would have occupied if this Agreement had never been made. If this right of rescission is not exercised by any Party during the Rescission Period for any Rescission Right Event specified in this paragraph or in Paragraph 5, below, such right shall be deemed waived and the Parties shall perform fully under the Agreement

4. Dismissal of 2018 Action. Within five (5) business days of the later of:
 - (a) ninety (90) days elapsing following the last of the BOS Actions; or,
 - (b) in the event of one or more Rescission Right Events, following expiration of the Rescission Period for the Rescission Right Event occurring last in time, without any Party having exercised its right of rescission;

Petitioners shall file with the El Dorado County Superior Court, and serve on all Parties, a dismissal with prejudice of the 2018 Action. Within five (5) business days after receipt of the file-stamped entry of dismissal with prejudice by the Court, Petitioners shall serve on the Parties a notice of entry of dismissal with prejudice. At the time of filing the dismissal with prejudice of the 2018 Action, the Parties shall also file a joint notice of settlement and shall request that the

court retain jurisdiction to enforce the terms of this Agreement pursuant to Code of Civil Procedure section 664.6.

5. Termination of Appeal in 2015 Action. Within five (5) business days of Petitioners serving notice of entry of dismissal of the 2018 Action with prejudice on the Parties, the Parties shall file with the Court of Appeal, Third Appellate District, a stipulation to dismiss the appeal in the 2015 Action as moot, in accordance with California Rule of Court 8.244(c). The Parties agree that, if the Court of Appeal fails to dismiss the appeal for any reason and/or issues a decision following Petitioners' filing of a dismissal with prejudice of the 2018 Action, the actions of the Court of Appeal shall have no effect on the obligations of the Parties pursuant to this Agreement. The Parties agree that, in such a case, the BOS Action with respect to rescission of the 2014 Approvals, as described in Paragraph 3, above, shall be deemed a full and final resolution of all issues on appeal in the 2015 Action, regardless of any opinion or decision issued by the Court of Appeal in that action, and no Party shall attempt to enforce such opinion or decision in a manner inconsistent with the terms and purpose of this Agreement. However, if the Court of Appeal issues a decision prior to Petitioners filing a dismissal with prejudice of the 2018 Action, such action shall be deemed a Rescission Right Event subject to the procedures and rights specified in Paragraph 3, above.

6. Recordation of Restrictive Covenant. Within thirty (30) days of Spanos' receipt of Petitioners' notice of entry of dismissal of the 2018 Action with prejudice by the El Dorado County Superior Court, Spanos shall submit for recordation a restrictive covenant substantially in the form of Exhibit A to this Agreement ("Covenant"). Spanos shall provide all Parties with copies of the recorded Covenant.

7. Legal Expenses. Spanos shall bear its own attorneys' fees and costs incurred with respect to the 2015 Action and the 2018 Action. The County's attorneys' fees and costs incurred

in the 2015 Action and the 2018 Action are addressed in separate indemnity agreements previously entered into by Spanos and the County and are not the subject of this Agreement. Petitioners' attorneys' fees and costs incurred in the 2015 Action and the 2018 Action are addressed in a separate agreement between Petitioners and Spanos and are not the subject of this Agreement.

8. Enforcement. Before any action is taken in court to enforce or resolve any dispute or claim under the Agreement ("Dispute"), the Parties shall promptly meet and confer in good faith in an attempt to resolve the Dispute. If meet and confer efforts do not resolve the Dispute, any party may seek enforcement of the Agreement, to the fullest extent allowed by law and equity, from the El Dorado County Superior Court, either pursuant to a motion under Code of Civil Procedure section 664.6 or via a new civil action. The prevailing Party in any such enforcement proceeding shall be entitled to an award of reasonable attorneys' fees and costs incurred.

9. No Opposition to County and Spanos Actions. Subject to and in consideration of the obligations accepted by Spanos in Paragraphs 2, 5, and 6, above, and in consideration of the obligations accepted by the County in Paragraphs 3 and 5, above, Sue Taylor, CSDEDH, and each of CSDEDH's members agree that they will not initiate, file, or assist any lawsuit asserting claims against the County or Spanos with regard to the actions taken by Spanos or the County pursuant to this Agreement or with respect to the 2018 Approvals, or any other effort to oppose such actions, except as provided in Paragraph 10(d) below.

10. Releases.

(a) Except as provided in Paragraphs 7, 10(c), and 10(d) of this Agreement, each Party, on its own behalf and on behalf of its members, officers, directors, employees, shareholders, parents, subsidiaries, affiliates, predecessors, successors, assigns, estates, heirs,

agents, attorneys, consultants, insurers, and other representatives, hereby releases, acquits, and forever discharges all other Parties and their members, officers, directors, employees, shareholders, parents, subsidiaries, affiliates, predecessors, successors, assigns, estates, heirs, agents, attorneys, consultants, insurers, and other representatives from any and all claims, actions, causes of action, liabilities, obligations, demands, and losses which arise from or pertain to the 2015 Action, the 2018 Action, or the County's actions in approving the 2014 Approvals and 2018 Approvals, including, without limitation, all equitable and injunctive relief, damages, penalties, fees (including fees of attorneys, experts, and others), costs, expenses, and any other sum incurred or claimed or which could have been claimed in the Action by any Party.

(b) It is understood and agreed by the Parties that the claims released in Paragraph 10(a) of this Agreement include all claims of every nature and kind whatsoever, whether known or unknown, suspected, or unsuspected, and all rights under section 1542 of the California Civil Code are hereby expressly waived. Section 1542 provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the Release, which if known by him or her must have materially affected his or her settlement with the debtor.

The Parties acknowledge that they may hereafter discover facts different from, or in addition to, those which they now know or believe to be true with respect to the released claims, and the Parties agree that this Agreement, including, without limitation, the releases contained herein, shall be and remain effective in all respects notwithstanding such different or additional facts or the discovery thereof.

(c) Notwithstanding any other provision of this Agreement, the releases specified in Paragraph 10 of this Agreement shall not extend to any claims arising out of or related to enforcement of this Agreement.

(d) Notwithstanding any other provision of this Agreement, the releases specified in Paragraph 10 of this Agreement do not extend to claims that may accrue in the future that are not contained in the 2015 Action or the 2018 Action or related to the County's actions in approving the 2014 Approvals and 2018 Approvals, including the following:

- (1) Any failure by Spanos to comply with the 2018 Approvals;
- (2) Any failure by the County to enforce the 2018 Approvals; or
- (3) Any subsequent proposals by Spanos to develop the Property.

11. No Assignment. Except as provided in this Agreement, the obligations of the Parties under this Agreement may not be assigned, or otherwise transferred, except by operation of law, without the prior written consent of the Parties, which consent shall not be unreasonably withheld. In no event shall any Party's approved assignment of any aspect of this Agreement relieve such Party of its obligations under this Agreement.

12. Sole and Final Agreement. The Parties acknowledge and represent that no promise or inducement not expressed in this Agreement has been made in connection with this Agreement. Except as provided in Paragraph 7, above, this Agreement contains the entire agreement and understanding between the Parties as to the subject matter of this Agreement, i.e., the validity of the 2014 Approvals and 2018 Approvals and the termination of the 2015 Action and the 2018 Action. There are no representations, warranties, agreements, arrangements, undertakings, oral or written, between or among the Parties hereto relating to the terms and conditions of this Agreement that are not fully expressed herein. Accordingly, this Agreement supersedes, and fully and completely extinguishes, any prior understandings or agreements by or between the Parties, whether oral or written, express, or implied. This is an integrated agreement.

13. Waiver and Estoppel. No waiver will be implied by delay or any other act or omission of a Party. No waiver of any provision or breach of this Agreement shall be effective unless such waiver is in writing and signed by the waiving party, and any such waiver shall not be deemed a waiver of any other provision or breach of this Agreement. No Party shall be estopped from enforcing any provision of this Agreement, unless the Party has agreed to such estoppel in a writing signed by the Party.

14. Amendment. Neither this Agreement, nor any of its provisions, may be waived, modified, amended, or terminated except by an instrument in writing signed by the Parties, and then only to the extent set forth in such writing.

15. Warranty of Authority. Each signatory of this Agreement represents and warrants that he or she has full authority to enter into this Agreement on behalf of the respective Parties and to settle and compromise all claims that are the subject matter of this Agreement.

16. Mutual Cooperation. Each Party shall execute and deliver to the other Parties all such other further instruments and documents, and take all other such actions, as may be reasonably necessary to carry out the terms and provisions of this Agreement and secure to the other Parties the full and complete enjoyment of their respective rights and privileges hereunder. The Parties agree not to take positions inconsistent with the terms of this Agreement and to exercise care in raising issues that may be contentious by first attempting to meet and resolve such issues with the other Parties in good faith.

17. Joint Press Release. Within five (5) business days of the Effective Date of this Agreement, the Parties shall issue a joint press release in the form of Exhibit B to this Agreement.

18. Invalidity. If any portion of this Agreement as applied to any Party or to any circumstance is adjudged by a court to be void or unenforceable, such adjudication shall in no

way affect any other provision of this Agreement, the application of any such provision in another circumstance, or the validity or enforceability of this Agreement as a whole.

19. Notices. Except as otherwise specifically set forth herein, all notices or other communications specifically required or permitted to be given under this Agreement shall be in writing and personally delivered or sent by certified mail, return receipt requested and postage prepaid, or sent by reputable overnight courier (such as Federal Express) to the addresses set forth below. Any Party may at any time change its address for the delivery of notice upon five (5) days written notice to the other Parties.

County

Breann Moebius
Deputy County Counsel
County of El Dorado
330 Fair Lane
Placerville, CA 95667

Petitioners

Sue Taylor
P.O. Box 961
Camino, CA 95709

With a copy to:
Marsha Burch
131 S. Auburn Street
Grass Valley, CA 95945

Spanos

Marc Hardy
The Spanos Corporation
10100 Trinity Parkway, 5th Fl.
Stockton, CA 95219

With a copy to:
Donald Sobelman
Downey Brand LLP
455 Market St., Suite 1500
San Francisco, CA 94105

20. Counterparts and Electronic Signatures. This Agreement may be executed in duplicate or counterparts, each of which is deemed an original. Electronic signatures and copies of handwritten signatures transmitted by facsimile, email, or other form of reproduction shall be deemed original signatures.

21. Time of the Essence. Time is of the essence for this Agreement.

22. Force Majeure. A force majeure event is any event outside the reasonable control of a Party that causes a delay in performing actions required by this Agreement that cannot be cured by due diligence (including, for example, unilateral delay or inaction by another Party or a third party). Delay in performance of an action required by this Agreement caused by a force majeure event is not a failure to comply with the terms of this Agreement, provided that as soon as reasonably possible, but in any event no later than five days after the occurrence of the event, the Party invoking force majeure notifies the other Parties of the event, the steps that the invoking Party will take to perform the action, and the projected time that will be needed to complete the action (“Force Majeure Notification”). The Parties agree to promptly meet and confer in good faith concerning the Force Majeure Notification, and the invoking Party shall have the burden of establishing that it could not reasonably have been expected to avoid, and which by exercise of due diligence has been unable to overcome, the force majeure event. If that burden is met, the time for performance shall be extended for a reasonable period of time following the force majeure event. If a dispute arises under this paragraph, each Party shall have the right to seek enforcement of this Agreement.

23. Interpretation; Governing Law. This Agreement shall be interpreted, and the rights and the duties of the Parties shall be determined, in accordance with the laws of the State

of California as applied to contracts entered into and performed (or capable of performance) in California by California persons or entities, without regard for choice-of-law principles.

24. Headings and Cross-References. The headings and captions used in this Agreement are for convenience and ease of reference only and shall not be used to construe, interpret, expand or limit the terms of this Agreement. All cross-references in this Agreement, unless specifically directed to another agreement or document, shall refer to provisions in this Agreement and shall not be deemed to be references to any other agreements or documents.

25. No Duress. This Agreement is executed voluntarily by each of the Parties without any duress or undue influence on the part of, or on behalf of, any of them. Each of the Parties to this Agreement has read and fully understands the meaning of each provision of this Agreement and has relied on the independent advice and representation of legal counsel in entering into this Agreement.

26. Successors and Assigns. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of the Parties as well as their members, heirs, successors, assignees and transferees of the Parties.

27. Construction. This Agreement has been reviewed by legal counsel for all Parties, and no presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or application of this Agreement.

28. Remedies/Enforcement. Because the amount of damages in the event of a breach of this Agreement may be difficult or impossible to determine, the obligations of the Parties under this agreement shall be enforceable by specific performance or other equitable relief, in addition to any other available remedy.

29. Exercise of County Discretion. Except as expressly provided for herein, nothing in this Agreement shall restrict the discretion of the County.


30. No Admission, Denial of Wrongdoing and Liability. Nothing in this Agreement shall be deemed an admission of any issue of fact or law, except for the limited purpose of enforcing this Agreement. Neither the negotiation of this Agreement, nor any action taken to carry out this Agreement, is, or may be, construed or used as an admission or concession by, or against, any Party of any fault, wrongdoing or liability whatsoever.

31. Effective Date. The "Effective Date" of this Agreement is the date on which this Agreement is fully executed by all Parties.


IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed.

Dated: May 22, 2018

**COUNTY OF EL DORADO and
EL DORADO COUNTY BOARD OF
SUPERVISORS**

By: 
Name: Michael Ranalli
Chair, Board of Supervisors

Approval As To Form:

By: 
Breann Moebius
Deputy County Counsel

[Signatures continue on next page]

Dated: May 21, 2018

**CITIZENS FOR SENSIBLE
DEVELOPMENT IN EL DORADO HILLS**

By: Sue Taylor
Name:

Approval As To Form:

By: Marsha A. Burch
Marsha A. Burch
Law Office of Donald B. Mooney

Dated: May 21, 2018

SUE TAYLOR

By: Sue Taylor
Sue Taylor

Approval As To Form:

By: Marsha A. Burch
Marsha A. Burch
Law Office of Donald B. Mooney

Dated: May __, 2018

THE SPANOS CORPORATION

By: _____
Alexandros Economou

Dated: May __, 2018

Approval As To Form:

By: _____
Donald Sobelman
Downey Brand LLP

Dated: May __, 2018

**CITIZENS FOR SENSIBLE
DEVELOPMENT IN EL DORADO HILLS**

By: _____
Name:

Approval As To Form:

By: _____
Marsha A. Burch
Law Office of Donald B. Mooney

Dated: May __, 2018

SUE TAYLOR

By: _____
Sue Taylor

Approval As To Form:

By: _____
Marsha A. Burch
Law Office of Donald B. Mooney

Dated: May 21, 2018

THE SPANOS CORPORATION

By:  _____
Alexandros Economou

Dated: May 21, 2018

Approval As To Form:

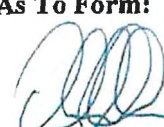
By:  _____
Donald Sobelman
Downey Brand LLP

EXHIBIT A
FORM OF RESTRICTIVE COVENANT

<p>RECORDING REQUESTED BY AND PLEASE RETURN TO:</p> <p>The Spanos Corporation 10100 Trinity Parkway, 5th Fl. Stockton, CA 95219 Attn: Marc Hardy</p> <p>Exempt from documentary transfer tax: Rev & Tax Code §11922</p> <p>Assessor's Parcel Nos: 121-290-60, 121-290-61, 121-290-62</p>	<p>For Recorder's Use Only</p>
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DECLARATION OF RESTRICTIVE COVENANTS

This Declaration of Restrictive Covenants (the “**Declaration**”) is made on _____, 2018 (the “**Effective Date**”), by The Spanos Corporation, a California corporation (“**Declarant**”), with reference to the following facts:

A. Declarant is the owner in fee simple of certain real property in the County of El Dorado (the “**County**”), State of California, commonly known as El Dorado County Assessor’s Parcel Nos. 121-290-60, 121-290-61, and 121-290-62 and more particularly described in Exhibit A (the “**Declarant Property**”).

B. Citizens for Sensible Development in El Dorado Hills and Sue Taylor (“**Petitioners**”), Declarant, and County are parties to that certain El Dorado County Superior Court Case No. PC20180127 and related legal actions and disputes.

C. As a component of a settlement agreement entered into between Declarant, the County, and Petitioners, Declarant agreed to prepare and record the restrictive covenant contained below for the benefit of the County only, which restrictive covenant affects prospective but not existing or previously permitted uses of the Declarant Property within the Restricted Area (described below).

NOW THEREFORE, Declarant covenants as follows:

1. Restricted Area Protection. The “**Restricted Area**” shall mean and refer to that certain 0.4742 acre portion of the Declarant Property, located on Assessor’s Parcel No. 121-290-60, as more particularly described on Exhibit B-1 and depicted on the attached Exhibit B-2. The Restricted Area is protected from development provided that: (i) Declarant is allowed to use, maintain, repair, and replace improvements and equipment in the Restricted Area consistent with passive recreational use of the Restricted Area by the public; (ii) Declarant is allowed to

undertake activities relating to flood protection and bank stabilization, construction to restore habitat, or removal of vegetation to alleviate hazardous conditions; (iii) Declarant is allowed to install landscape irrigation equipment and plant and maintain vegetation in the Restricted Area; and (iv) Declarant is allowed to use the Restricted Area for staging and storage of construction materials and vehicles to facilitate development of other portions of the Declarant Property, as authorized by any entitlements or permits granted by the County and/or other public agencies with jurisdiction over such development.

2. Term. This Declaration will commence on the Effective Date and shall continue until the earlier of (i) the date seventy (70) years following the Effective Date; or (ii) such time as the Restricted Area is acquired by any public agency (in fee or with respect to any easement rights thereon) to be used for public purposes, by any means whatsoever, including, without limitation, pursuant to any acceptance of an offer for public dedication (the “**Term**”). Upon the end of the Term, Declarant may, but shall not be obligated to, record a Termination of Restrictive Covenants in the Official Records of the County.

3. Access. During the Term, Declarant shall permit the public pedestrian access to the Restricted Area for passive recreational uses, subject to reasonable restrictions and conditions of public access to ensure the safety of the public and the owners, tenants, occupants, or invitees of the Declarant Property. No rights whatsoever (including rights of access) are granted to the public hereby with respect to any portion of the Declarant Property other than the Restricted Area.

4. No Public Dedication. Neither this Declaration nor any of the provisions herein shall be construed as constituting an offer for public dedication. Notwithstanding the foregoing, neither this Declaration nor any of the provisions herein shall have the effect of waiving or in any way limiting Declarant’s future right to make an offer for public dedication with respect to the Restricted Area.

5. Successors in Interest. The restrictions and covenants herein shall be a burden upon and run with the land for the benefit of the County pursuant to applicable law, and shall inure to and pass with each and every portion of the Declarant Property, and shall apply and bind the respective successors in interest thereof. This Declaration will survive any lot line adjustment or any other merger of properties, so that the covenants and restrictions herein will continue to apply within the corresponding portions of the resulting parcels.

6. No Third Party Beneficiaries. Nothing in this Declaration is intended or shall be construed to confer upon or give to any person or entity any right, interest or privilege hereunder, other than the County, Declarant, or their successors in interest.

[Signature Page to Follow]

IN WITNESS WHEREOF, Declarant and County have executed and delivered this Declaration as of the day and year first written above.

DECLARANT:

The Spanos Corporation,
a California corporation,

By: _____

EXHIBITS A, B-1, and B-2

**EXHIBIT A
DECLARANT PROPERTY**

All that real property situated in the County of El Dorado, State of California, being all of Parcel 1, Parcel 2 and Parcel 3, as said parcels are shown on that certain Parcel Map filed for record September 29, 2008 in Book 50 of Parcel Maps, at Page 44, El Dorado County Records.

End of Description

Assessor Parcel Numbers 121-290-60, 121-290-61, and 121-290-62

EXHIBIT B-1
AREA SUBJECT TO RESTRICTIVE COVENANT

All that real property situated in the County of El Dorado, State of California, being a portion of Parcel 1, as shown on that certain Parcel Map filed for record September 29, 2008 in Book 50 of Parcel Maps, at Page 44, El Dorado County Records, described as follows:

Beginning at the Northeast Corner of said Parcel 1; thence from said **POINT OF BEGINNING**, along the boundary thereof, the following two courses:

1. South 23°47'16" East 86.25 feet to a tangent curve to the left having a radius of 223.50 feet
2. Along said curve, through a central angle of 1°38'41", an arc distance of 6.42 feet

Thence leaving said boundary, South 66°28'40" West 205.26 feet to the westerly boundary of said Parcel 1; thence along the boundary of said Parcel 1 the following four courses:

1. North 22°58'18" West 16.04 feet
2. North 49°52'29" West 73.94 feet
3. North 23°00'52" West 12.47 feet
4. North 66°59'08" East 237.30 feet to the **POINT OF BEGINNING**

Containing 0.4742 acres, more or less.

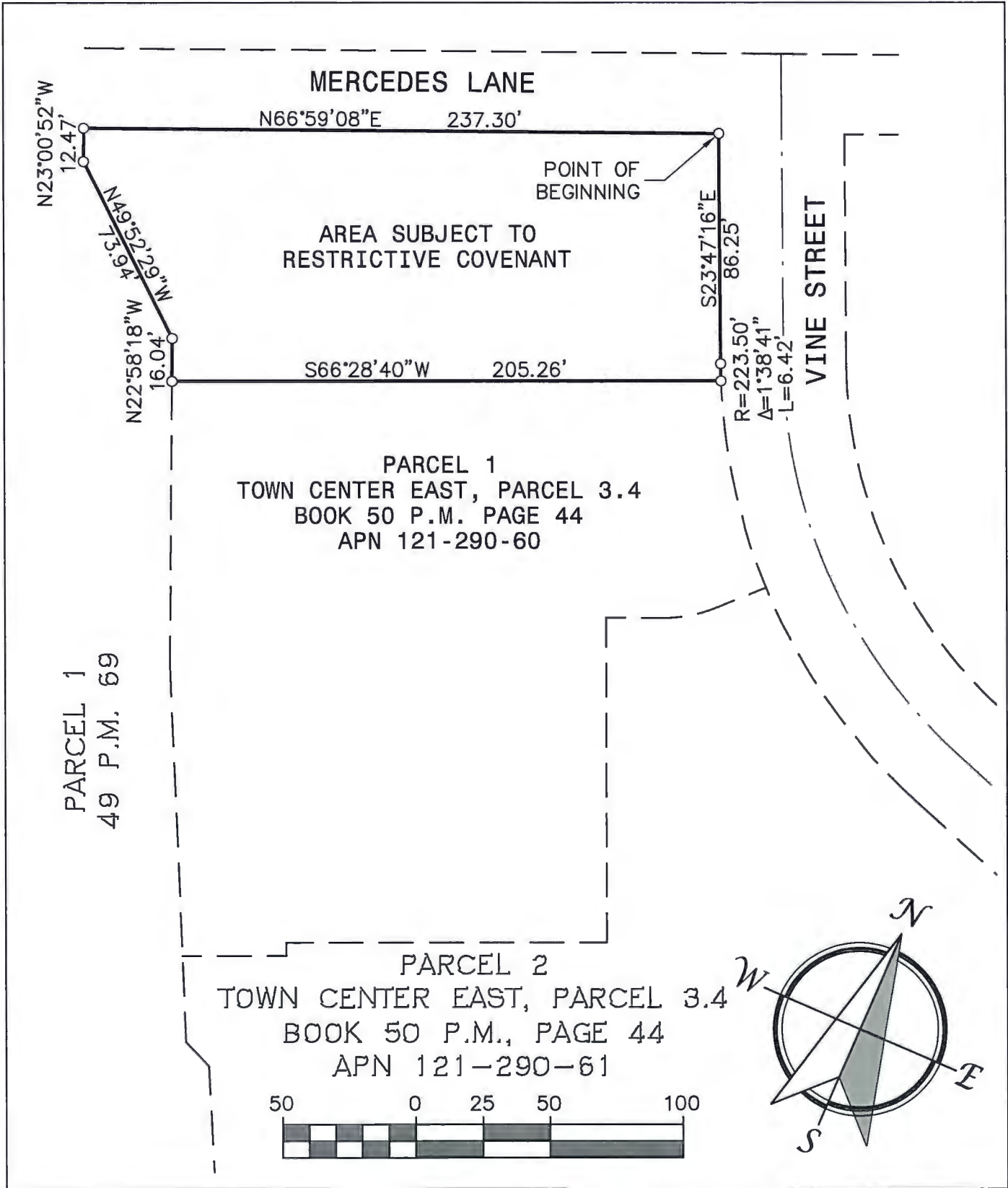


EXHIBIT B-2
PLAT TO ACCOMPANY DESCRIPTION
PORTION OF PARCEL 1, TOWN CENTER EAST
COUNTY OF EL DORADO
STATE OF CALIFORNIA



785 Orchard Drive, Suite #110
 Folsom, CA 95630
 Phone: (916) 608-0707
 Fax: (916) 608-0701

TSD ENGINEERING, INC.
 expect more.

SCALE:
1"=50'

DATE:
5/17/2018

SHEET
1 OF 1

A Notary Public or other official 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)
) ss.
COUNTY OF SAN JOAQUIN)

On _____, 2018, before me, _____, Notary Public, 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 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.

Notary Public

EXHIBIT B
JOINT PRESS RELEASE

JOINT PRESS RELEASE

El Dorado County, project developer The Spanos Corporation (“Spanos”), Citizens for Sensible Development in El Dorado Hills (“CSDEDH”), and Sue Taylor have reached an agreement that is intended to resolve all legal disagreements about the El Dorado Hills Apartments project in the El Dorado Hills Town Center. After more than five years of project development and disputes, this collaborative resolution will allow for construction of the apartments to begin.

Spanos originally proposed a 250-unit development in 2014. CSDEDH legally challenged the approval of that project, that challenge was upheld by the trial court, and an appeal in that lawsuit is still pending before an appellate court. While that challenge was being litigated, Spanos went back to the drawing board and created a new project that reduced the number of units to 214 and incorporated new designs and features. In addition, Spanos prepared a full Environmental Impact Report, which is something CSDEDH had requested for the 2014 version of the project. After the County approved the new project in February 2018, CSDEDH and Sue Taylor filed a legal action challenging those new approvals.

The parties have now entered into an agreement that is intended to be a global resolution of all issues. As a result, Spanos will request rescission of its original project approval from 2014. The County will then act on that request for rescission, CSDEDH and Sue Taylor will dismiss the lawsuit challenging the 2018 approvals, the parties will request that the appellate court dismiss the appeal related to the 2014 approvals, and Spanos will move forward with the new 214-unit project design.

While the agreement between the four parties does not change the new project that the County approved in 2018, Spanos has further memorialized its commitment to preserve approximately half of an acre of the project site for open space for passive recreational use by the public. To provide greater clarity, the County will also make a minor technical amendment to its General Plan to clarify that the project is an exception to the maximum density allowed by the General Plan.

Construction on the project is anticipated to begin in the summer of 2019 with the project expected to be completed by the summer of 2021.