

Memo

To: Board Members
From: John R. Knight, Supervisor
Date: December 3, 2012
Re: Extension and Amendment to Settlement Agreement and Release

As you are aware, El Dorado Development has not been able to meet their obligation under the last amendment dated February 23, 2010, and have asked for a second modification. I am proposing the following changes:

Current balance due \$1,700,000: El Dorado Development shall make semi annual principal payments of \$60,000 beginning March 1, 2013 and September 1, 2013 of each year plus simple interest of 2% on the unpaid principle balance.

Each \$60,000 payment shall go towards principal reduction with the interest payment going into the County's General Fund.

The entire obligation will be all due March 1, 2020.

El Dorado Development will have all real property taxes current including the real property taxes due April 10, 2013.

If El Dorado Development fails to make the principal payments plus interest within 30 days of the due date, El Dorado County may begin foreclosure of the subject property.

Thank you.