

## AGREEMENT

This Agreement (“**Agreement**”) is made and entered into this \_\_\_\_\_ day of October, 2017 (the “**Effective Date**”) by ZALANTA RESORT AT THE Village, LLC, a California limited liability company, hereinafter called “**Owner**”, and the COUNTY OF NEVADA, a Political Subdivision of the State of California, hereinafter called “**County.**”

## RECITALS

A. ZALANTA RESORT AT THE Village, LLC owns that certain real property within the unincorporated area of the County of Nevada, State of California, consisting of Assessor Parcel Numbers 11-191-02; 11-191-06; 11-191-07; 11-191-33; 11-171-25; 11-171-26; 11-171-27; 11-171-56; 11-171-66; 11-161-03; 11-161-06; 11-171-72; 11-161-24; 11-151-11; 11-151-37; 11-151-38; 11-151-41; 11-151-15, as conveyed to ZALANTA RESORT AT THE VILLAGE, LLC by Grant Deed recorded June 20, 2016, as Document Number 20160013095 in the Official Records of Nevada County (hereinafter, the “**Property**”).

B. Owner acquired the Property in 2016. The Property is comprised of eighteen (18) lots (Exhibit A). The Property is restricted by an affordable housing agreement, which placed a lien on each of the eighteen lots for an amount of \$67,777.00 in 2006. This amount was 23% of the average sales price per lot at the time of the agreement.

C. The market downturn that followed 2006 reduced the value of the Property. The average lot value is now approximately \$80,000.00. Using the same 23% calculation, this results in an average amount of \$18,400.00 per lot.

D. Owner has offered to buy out the liens on the Property for \$340,000.00. This is the sum of \$331,200.00 (\$18,400.00 x 18 lots) plus an additional \$8,800.00 to cover County Administrative costs associated with this effort.

E. County staff believes this is a fair offer and upon receipt of payment, shall record the releases on the Property.

Now, therefore, for good and valuable consideration including the mutual promises and agreements contained herein, Owner and County agree as follows:

1. Payment. Owner agrees to pay the County \$340,000.00 to buyout the restrictions on the Property, as identified in Exhibit A.

2. County Acceptance and Release. Within fifteen (15) days of receipt of Payment, County shall execute and record in the County Recorder’s Office, releases of the restrictions recorded against the Property.

3. Owner Indemnification of County. Owner agrees to defend, indemnify, and hold harmless the County and its agents, officers, and employees (collectively “County Parties”) from and against all claims, actions, proceedings, losses, damages and liabilities (including attorney’s fees and costs) which arise out of, relate to or result from any act or omission of this Agreement.

4. Remedies. Failure to defend or indemnify pursuant to this Agreement shall constitute a material breach which shall entitle the County to all remedies available under the law.

5. Governing Law. This Agreement shall in all respects be interpreted, enforced, and governed by and under the laws of the State of California.

6. Entire Agreement. This Agreement supersedes all previous oral and written agreements between and representations by or on behalf of the parties and constitutes the entire agreement of the parties with respect to the subject matter hereof. This Agreement may not be amended except by a written agreement executed by both parties.

7. Binding Effect. This Agreement and the covenants and agreements contained herein shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective heirs, successors and assigns.

8. No Waiver. No waiver with respect to any provision of this Agreement shall be effective unless in writing and signed by the party against whom it is asserted. No waiver of any provision of this Agreement by a party shall be construed as a waiver of any subsequent breach or failure of the same term or condition, or as a waiver of any other provision of this Agreement.

9. No Third Party Beneficiary. This Agreement is solely for the benefit of the parties hereto and their respective successors and permitted assigns, and, except as expressly provided herein, does not confer any rights or remedies on any other person or entity.

10. Captions. The captions in this Agreement are for reference only and shall in no way define or interpret any provision hereof.

11. Time. Except as otherwise expressly provided herein, the parties agree that as to any obligation or action to be performed hereunder, time is of the essence.

12. Severability. If any provision of this Agreement shall be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each provision of this Agreement shall be valid and enforced to the full extent permitted by law, provided the material provisions of this Agreement can be determined and effectuated.

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13. Counterparts. This Agreement may be executed in identical counterpart copies, each of which shall be an original, but all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first set forth above.

ZALANTA RESORT AT THE Village, LLC  
a California limited liability company

COUNTY OF NEVADA  
a Political Subdivision of the State of California

By: \_\_\_\_\_  
Name: Bryan H. Draper  
Title: President, Owens Realty Mortgage Co.  
(Manager of ZALANTA RESORT AT  
THE VILLAGE, LLC)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Name: William C. Owens  
Title: Chairman, Owens Realty Mortgage Co.  
(Manager of ZALANTA RESORT AT  
THE VILLAGE, LLC)

APPROVED AS TO FORM:  
Office of the County Counsel

By: \_\_\_\_\_  
Alison A. Barratt-Green, County Counsel

Dated: \_\_\_\_\_

APPROVED AS TO FORM:  
Law Offices of A. Nick Shamiyeh

By: \_\_\_\_\_  
A. Nick Shamiyeh, Attorney for Owner

**EXHIBIT A**

Lot #	APN	Assessed Value	23% of assessed value
24	11-191-02-000	\$90,600	\$20,838
28	11-191-06-000	\$90,600	\$20,838
29	11-191-07-000	\$96,400	\$22,172
55	11-191-33-000	\$90,600	\$20,838
82	11-171-25-000	\$62,400	\$14,352
83	11-171-26-000	\$62,400	\$14,352
84	11-171-27-000	\$62,400	\$14,352
113	11-171-56-000	\$90,600	\$20,838
123	11-171-66-000	\$62,400	\$14,352
124	11-161-03-000	\$79,300	\$18,239
127	11-161-06-000	\$79,300	\$18,239
137	11-171-72-000	\$79,300	\$18,239
169	11-161-24-000	\$79,300	\$18,239
178	11-151-11-000	\$79,300	\$18,239
182	11-151-37-000	\$79,300	\$18,239
183	11-151-38-000	\$79,300	\$18,239
186	11-151-41-000	\$62,400	\$14,352
187	11-151-15-000	\$62,400	\$14,352
		<b>Total =</b>	<b>\$319,309</b>