

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Mutual Release ("Agreement") is entered into by and between the WESTERN HILLS WATER DISTRICT, a California water district, on behalf of Diablo Grande Community Facilities District No. 1 ("Diablo Grande CFD"), ("DISTRICT"), and ALYSSA I. GOMEZ ("PROPERTY OWNER"). (The DISTRICT and the PROPERTY OWNER are referred to herein collectively as the "Parties.")

RECITALS

A. WHEREAS, the PROPERTY OWNER is the current owner of a parcel of vacant real property located in Stanislaus County which is identified by Assessor's Parcel No. ("APN") 025-023-003-000 and which is further and legally described in Exhibit "A" attached hereto and incorporated herein by this reference ("PROPERTY").

B. WHEREAS, the PROPERTY is located within the Diablo Grande CFD.

C. WHEREAS, certain special tax installments that were levied against the PROPERTY in Diablo Grande CFD became delinquent. (The delinquencies for the PROPERTY are hereinafter referred to as the "Delinquent Special Taxes.")

D. WHEREAS, prior to removing the Delinquent Special Taxes from the County Tax Roll, and in order to begin the foreclosure process to recover the Delinquent Special Taxes, the District recorded a "Notice of Intent to Remove Delinquent Special Taxes" as Document Nos. 2013-0085073-00 (in 2013), 18-0085489-00 (in 2018), 19-0070624-00 (in 2019) and 2021-0037665-00 (in 2021) in the Official Records of Stanislaus County, California.

E. WHEREAS, the current amount of the Delinquent Special Taxes (including principal, penalties, interest, administrative costs, and legal fees and costs) is delineated in Exhibit "B" attached hereto and incorporated herein by this reference.

F. WHEREAS, the District intends to file a Complaint in Judicial Foreclosure in the Stanislaus County Superior Court in order to recover the Delinquent Special Taxes.

G. WHEREAS, in order to pay off the Delinquent Special Taxes, and to avoid a foreclosure lawsuit, PROPERTY OWNER is prepared to transfer their interest in the PROPERTY to the DISTRICT.

H. WHEREAS, the Parties to this Agreement, without in any way conceding the validity or sufficiency of any claim or contention of any or all of the Parties, and without admitting any liability, now desire to fully compromise, settle and fully release any and all claims, disputes and differences related to the Delinquent Special Taxes (the "Claims").

TERMS OF AGREEMENT

In consideration of the mutual covenants and agreements of the Parties below, the Parties hereby represent, warrant, and agree as follows:

1. Settlement of Delinquent Special Taxes / Deed in Lieu of Foreclosure.

(a) In consideration of the terms, conditions and releases in this Agreement, PROPERTY OWNER agrees to transfer all of their right, title and/or interest in the PROPERTY to the DISTRICT by signing the Deed in Lieu of Foreclosure in the form attached hereto as Exhibit "C" and delivering same to the DISTRICT's counsel within ten (10) days of PROPERTY OWNER's execution of this Agreement.

(b) After receipt of the Deed in Lieu of Foreclosure, the DISTRICT shall sign the Certificate of Acceptance in Exhibit "C" and cause the documents to be recorded in the Official Records of Stanislaus County, California.

(c) The DISTRICT agrees to and shall waive any and all other amounts related to the Delinquent Special Taxes, including penalties, redemption penalties (interest), administrative costs, and attorney's fees and costs, which may have accrued and become payable since the execution of this Agreement.

2. Mutual Release. The Parties to this Agreement, on their own behalves, and on behalf of their past, present, and future directors, officers of DISTRICT (whether acting in such capacity or individually), servants, trustees, creditors, attorneys, insurers' representatives, employees, managers, parents, subsidiaries, divisions, subdivisions, departments, affiliates, predecessors, successors, assigns and assignees, transferors, transferees, investors, nominees and any agent acting or purporting to act for them or on their behalf fully and forever release and discharge each other, and each other's respective assignees, transferors, transferees, predecessors and successors in interest, employees, servants, agents, representatives, officers, insurers, heirs and devisees, servants, partners, trustees, creditors, attorneys, insurers' representatives, employees, managers, divisions, subdivisions, departments, affiliates, nominees and any agent acting or purporting to act for it or on its behalf from and against all actions, proceedings, causes of action, judgments, claims for relief, bad faith, demands, rights, titles, interests, damages, losses, costs, expenses, disbursements (including attorney's fees), obligations, liabilities and other claims of every nature whatsoever heretofore existing, arising or accruing, or hereafter arising or accruing, of whatever nature, whether sounding in contract or tort (intentional or otherwise), whether anticipated or unanticipated, and whether known or unknown, which arise out of, may arise out of or are in any way connected or related to the Claims.

3. Waiver of California Civil Code § 1542. The Parties to this Agreement are aware they may hereafter discover facts different from or in addition to those they now know or believe to be true with respect to the Claims released, and the causes of action, rights, obligations and liabilities related to those Claims, and each agrees that the within release shall be and remain in effect in all respects as a complete release as

to all matters released herein, notwithstanding any such different or additional facts. Each of the Parties hereby confirms it is aware of and understands the provisions of California *Civil Code* § 1542 which states:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Each of the Parties knowingly waives the provisions of California *Civil Code* § 1542 as it relates to any claims made, or which could be made, against the other except as to those provisions in the Agreement related to the enforcement of its terms.

4. **Time of the Essence.** Time is of the essence of this Agreement and all of its terms, provisions, conditions and covenants.

5. **Binding Effect.** This Agreement, including the releases in this Agreement, shall be binding upon, extend to and inure to the benefit of the Parties, and any and all of their respective past, present and future agents, employees, relatives, officers, owners, servants, heirs, beneficiaries, devisees, independent contractors, partners, successors, predecessors, assignors, assignees, transferors, transferees, guarantors, sureties, insurers, attorneys, investigators, accountants, and other representatives, partners, principals, trustees, creditors, attorneys, employees, managers, parents, divisions, subdivisions, departments, affiliates, nominees and any and all other persons and entities acting or purporting to act on the respective behalf of each of the PARTIES and any and all firms, corporations, associations, partnerships and other entities affiliated with, controlled by or otherwise related to the Parties.

6. **No Admission of Liability.** This Agreement is a compromise of disputed claims and shall not be construed or deemed to be an admission of liability or wrongdoing by any party to any other party. The Parties further expressly agree that nothing in this Agreement shall be construed as an admission or acceptance of the validity of any of the claims, causes of action or contentions made by the Parties related to the Claims. This settlement has been made to avoid the expense, inconvenience and burden of trial and of further litigation proceedings, and so that the Parties can resolve their disputes and business relations in a mutually agreeable manner rather than through court adjudication.

7. **Full Authority.** Each of the Parties to this Agreement hereby represents, covenants and warrants that said party, and the signatory of said party, has the full right, power and authority to execute this Agreement on behalf of said party, and to execute any and all documents as may be necessary to effectuate the terms of this Agreement, and that no party, nor any signatory for said party, has sold, assigned, transferred, conveyed, hypothecated, encumbered or otherwise disposed of any rights, titles, interests, causes of action or other claims which said party may have or have had in relation to the transactions or other matters described in this Agreement or which are related in any way to the Claims.

8. **Informed Consent.** Each of the Parties hereby declares that they have received sufficient information, either through their own legal counsel or other sources of their own selection, so as to be able to make an intelligent and informed judgment whether to enter into this Agreement. Each of the Parties further states that they have read this Agreement in its entirety prior to executing it, and have executed this Agreement voluntarily, with competence and capacity to contract and with knowledge of the terms, significance and legal effect of this Agreement. By executing this Agreement, it is understood by each of the Parties that substantial rights may be compromised and/or waived in their entirety.

9. **Complete Instrument.** This Agreement contains the complete understanding made between and/or among the Parties with respect to the settlement of the Claims and any other claims being settled and released by this Agreement. This Agreement cannot be amended or modified in any manner except by a writing executed by each of the Parties or by their valid successor(s). The Parties agree and acknowledge that no representations, warranties, covenants, assurances or other promises not specifically set forth in this Agreement have been made by any of the Parties in connection with the subject matter of this Agreement. Further, the Parties are not relying on any such conduct in entering into this Agreement. Any negotiations or other communications between the Parties relating to the subject matter of this Agreement are superseded by this document and of no force or effect. This Agreement has been negotiated and prepared by and for all the Parties equally and shall not be construed as having been drafted by any of the Parties.

10. **Severability.** It is intended that each paragraph of this Agreement shall be treated as separate and divisible, and in the event that any paragraphs are deemed unenforceable the remainder shall continue to be in full force and effect so long as the primary purpose of this Agreement is unaffected.

11. **Counterparts.** This Agreement may be signed in counterparts, and each counterpart shall have the same force and effect as though the signatures were contained in a single document.

12. **Facsimile and Electronic Delivery.** A facsimile or electronic version (i.e., PDF) of this Agreement may be signed and when delivered by electronic means shall have the same force and effect as though the signatures were contained on the original document.

13. **Further Assurances.** The Parties each agree to execute all documents and perform all acts necessary or appropriate to effectuate the performance of the terms of this Agreement.


14. **Applicable Law.** This Agreement is made under and shall be interpreted and enforced by the laws of the State of California.

15. **Attorney's Fees.** If any action, motion or proceeding at law or in equity is instituted, arising out of this Agreement, including without limitation, to enforce or interpret the terms of this Agreement, the Parties agree that the prevailing party therein shall be entitled to an award of reasonable attorney's fees, costs, and necessary disbursements, as determined by a court of competent jurisdiction, in addition to any other relief to which that party may be entitled.

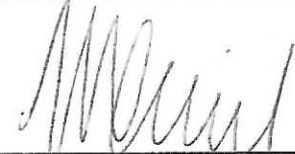
16. **Confidential Settlement.** The existence and terms of this Agreement are strictly confidential, and the Parties and their attorneys shall not disclose the facts or contents of this Agreement without the prior written consent of all Parties unless it is: (i) ordered by a court; (ii) in response to a subpoena, order or other request for information received from any government agency or self-regulatory organization; (iii) otherwise required by law; (iv) necessary for disclosures to the Parties' affiliates, lawyers, employees, partners, tax advisors, and/or accountants, as well as any trustees and their respective affiliates, lawyers, employees, partners, tax advisors, and/or accountants, and any bond holders of the Diablo Grande CFD bonds ; or (v) necessary to enforce the terms of this Agreement. The confidentiality of this Agreement is an essential term thereof, and any unauthorized disclosure by any of the Parties or their agent shall constitute a breach of this Agreement.

17. **Effective Date.** The effective date of this Agreement shall be the date that the last party hereto executes this Agreement.

DATED: 01-29, 2024 ALYSSA I. GOMEZ


Alyssa I. Gomez

DATED: 2-14, 2024 WESTERN HILLS WATER DISTRICT

By: 
Mark Kovich
Its: President

APPROVED AS TO FORM ONLY:

DATED: February 13, 2024

BURKE, WILLIAMS & SORENSEN, LLP

By:



Martin Kosla
Attorneys for
WESTERN HILLS WATER DISTRICT

DATED: FEB 7, 2024

THE LAW OFFICES OF MAYOL
& BARRINGER, LLP

By:



Nick Loncarich
Attorneys for
ALYSSA I. GOMEZ

**EXHIBIT "A"
TO SETTLEMENT AGREEMENT**

(Legal Description)

APN 025-023-003-000

LOT 7 OF DIABLO GRANDE UNIT NO. 1A AS SHOWN ON THAT CERTAIN MAP FILED FOR RECORD ON MAY 13, 2003, IN BOOK 40 OF MAPS AT PAGE 94, STANISLAUS COUNTY RECORDS.

CERTIFICATE OF CORRECTION RECORDED SEPTEMBER 9, 2003 SERIES NO. 2003-0152704-00.

CERTIFICATE OF CORRECTION RECORDED OCTOBER 10, 2003 SERIES NO. 2003-0175174-00.

EXHIBIT "B"
TO SETTLEMENT AGREEMENT
(Delinquency Spreadsheet Attached)

Exhibit "B"
Diablo Grande Community Facilities District No. 1
 APN: 025-023-003-000
 Owner: Alyssa I. Gomez
 Pay-off Demand through September 2023

APH: 025-023-003-000

Tax Year	Principal	Penalties	Months Simple Int. @ 1.5%	Date Interest Begins	Current Date	Yrs	Add'l Mos From Jul 1 of CY	Months of Accrued Interest	Interest through Sept. 2023	District Admin. (Goodwin)	County "Stripping" Fees	LG Costs	Prior Legal Fees & Costs (Lavelle)	Legal Fees (Burke) as at Aug. 31, 2023	Legal Costs (Burke) as at Aug. 31, 2023	Total
2012/13	1,500.00	150.00	22.50	1-Jul-12	18-Sept. 23	11	3	135	3,037.50		40.00	-	750.00			5,477.50
2013/14	3,000.00	300.00	45.00	1-Jul-13	18-Sept. 23	10	3	123	5,535.00		40.00	-	750.00			9,625.00
2014/15	3,000.00	300.00	45.00	1-Jul-14	18-Sept. 23	9	3	111	4,995.00		40.00	-	750.00			9,085.00
2015/16	3,000.00	300.00	45.00	1-Jul-15	18-Sept. 23	8	3	99	4,455.00		40.00	-	750.00			8,545.00
2016/17	3,000.00	300.00	45.00	1-Jul-16	18-Sept. 23	7	3	87	3,915.00		40.00	-	750.00			8,005.00
2017/18	3,000.00	300.00	45.00	1-Jul-17	18-Sept. 23	6	3	75	3,375.00		40.00	-	750.00			7,465.00
2018/19	3,000.00	300.00	45.00	1-Jul-18	18-Sept. 23	5	3	63	2,835.00		40.00	-	750.00			6,925.00
2019/20	3,000.00	300.00	45.00	1-Jul-19	18-Sept. 23	4	3	51	2,295.00	460.00	40.00	-	-	2,513.00	44.78	6,652.78
	22,500.00	2,250.00							30,442.50	460.00	320.00		5,250.00	2,513.00	44.78	63,780.28

TOTAL AMOUNT OF DELINQUENCIES DUE: \$ 63,780.28

EXHIBIT "C"
TO SETTLEMENT AGREEMENT

(Form Deed in Lieu of Foreclosure Attached)

[FORM ONLY – DO NOT SIGN]

**RECORDING REQUESTED BY
AND MAIL TO:**

Western Hills Water District
c/o Burke, Williams & Sorensen, LLP
Attention: Martin Kosla, Esq.
1770 Iowa Avenue, Suite 240
Riverside, CA 92507-2479

SPACE ABOVE THIS LINE FOR RECORDER'S USE
EXEMPT FROM FEES PURSUANT TO GOV. CODE § 27383

DEED IN LIEU OF JUDICIAL FORECLOSURE

Grantor: Alyssa I. Gomez
Property: APN 025-023-003-000

FOR VALUABLE CONSIDERATION, including the complete satisfaction of all delinquent special taxes and related charges, the undersigned ALYSSA I. GOMEZ, a single woman, ("GRANTOR") hereby grants to the WESTERN HILLS WATER DISTRICT, a California water district, on behalf of Diablo Grande Community Facilities District No. 1 ("DIABLO GRANDE CFD"), ("DISTRICT") that parcel of vacant real property located in Stanislaus County which is identified by Stanislaus County Assessor's Parcel No. ("APN") 025-023-003-000 and which is further and legally described in Exhibit "A" attached hereto and incorporated herein by this reference ("PROPERTY")

This deed is an absolute conveyance to the DISTRICT of all right, title and interest in and to the PROPERTY for fair value and in consideration for the full satisfaction of all delinquent special tax obligations levied against the PROPERTY in the DIABLO GRANDE CFD, which are secured by the "Notice of Special Tax Lien" recorded on December 12, 2000, as Document No. 2000-0105732-00, the "First Amended Notice of Special Tax Lien" recorded on March 14, 2002, as Document No. 2002-0033382-00, and the "Second Amended Notice of Special Tax Lien" recorded on December 17, 2002, as Document No. 2002-0165968-00 in the Official Records of Stanislaus County, California. These delinquent special tax obligations are also referenced in the "Notices of Intent to Remove Delinquent Special Taxes" recorded as Document Nos. 2013-0085073-00 (in 2013), 18-0085489-00 (in 2018), 19-0070624-00 (in 2019) and 2021-0037665-00 (in 2021) in the Official Records of Stanislaus County, California, which were recorded by the DISTRICT in order to begin the foreclosure process with regard to the delinquent special taxes levied against the PROPERTY.

[FORM ONLY – DO NOT SIGN]

GRANTOR and the DISTRICT declare that the DISTRICT's interests in certain encumbrances and liens of record as to the PROPERTY, including the above-referenced Notices of Special Tax Lien related to the DIABLO GRANDE CFD, as well as the various easements and dedications of record, are held on behalf of and for the benefit of innocent third persons and, therefore, not susceptible to the doctrine of merger with the fee interest being conveyed to the DISTRICT by this deed. The DISTRICT Will hold the legal title conveyed hereby as a separate property interest from any equitable title currently held.

GRANTOR declares that this absolute conveyance was freely and fairly made between GRANTOR and the DISTRICT in cancellation of all delinquent special tax obligations levied against the PROPERTY in the DIABLO GRANDE CFD,

DATED: This _____ day of _____, 2024.

ALYSSA I. GOMEZ, a single woman

By: _____
Alyssa I. Gomez

(Must be Notarized)

[FORM ONLY – DO NOT SIGN]

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.

ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
COUNTY OF STANISLAUS)

On _____, 2024, 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 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: _____ (seal)

[FORM ONLY – DO NOT SIGN]

EXHIBIT “A”

(Legal Description)

APN 025-023-003-000

LOT 7 OF DIABLO GRANDE UNIT NO. 1A AS SHOWN ON THAT CERTAIN MAP FILED FOR RECORD ON MAY 13, 2003, IN BOOK 40 OF MAPS AT PAGE 94, STANISLAUS COUNTY RECORDS.

CERTIFICATE OF CORRECTION RECORDED SEPTEMBER 9, 2003 SERIES NO. 2003-0152704-00.

CERTIFICATE OF CORRECTION RECORDED OCTOBER 10, 2003 SERIES NO. 2003-0175174-00.

[FORM ONLY – DO NOT SIGN]

Grantor: Alyssa I. Gomez
Property: APN 025-023-003-000

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the real property conveyed by the Deed In Lieu of Judicial Foreclosure dated _____, 2024 from ALYSSA I. GOMEZ, a single woman, to the WESTERN HILLS WATER DISTRICT, a California water district, on behalf of Diablo Grande Community Facilities District No. 1, ("DISTRICT") is hereby accepted by the District, as ordered by resolution of the Board of Directors of the DISTRICT on _____, 2024, and the DISTRICT hereby consents to recordation thereof by its duly authorized officer.

DATED: _____, 2024

By: _____
Mark Kovich, President
WESTERN HILLS WATER DISTRICT