

# EXHIBIT E

Almaden Hills Estates  
Homeowners Association  
(AHEHA)

Settlement

## SETTLEMENT AGREEMENT

This Settlement Agreement ("AHEHA Agreement"), effective May 20, 1997, is entered into by and between the Board of Supervisors of the County of Santa Clara and the County of Santa Clara (collectively "County") as the first party, Garcia Development Company and Roche Garcia (collectively "Garcia") as the second party, and the Almaden Hills Estates Homeowners Association ("AHEHA") as the third party, with reference to the following facts:

### RECITALS

A. Garcia Development Company owns that certain 202 acre parcel of real property located in the County of Santa Clara and sometimes known as Boulder Ridge (the "Property"). The Property is adjacent to the subdivision known as Almaden Hills Estates;

B. Garcia is desirous of constructing and operating a golf course on the Property;

C. Two lawsuits have been filed regarding the County's approval of Garcia's golf course use: Smith, et al. v. Board of Supervisors (Garcia) (Action No. 730166; the "Smith Case"), and Garcia v. County of Santa Clara (Coalition) (Action No. 747010; the "Inverse Case"), and an additional suit is pending regarding Garcia's interim farming activities on the Property: Coalition v. Garcia, et al. (Action No. 754489; the "Farming Case");

D. While AHEHA is not a party to any of the above-referenced litigation, it nonetheless has a practical interest in the subject matter of those suits and the development of the

Property, and Garcia desires AHEHA's agreement to be bound by the terms and conditions of the Settlement Agreement ("Settlement Agreement") among the parties to those suits, a copy of which Settlement Agreement is attached hereto as Exhibit A and incorporated herein by this reference.

E. Without any admission of liability, the parties hereto desire to resolve all issues concerning the approval of all golf course project-related permits and, while the absence of future controversy cannot be assured, to establish procedures aimed at allowing the construction and operation of the golf course on the Property to move forward without further litigation.

#### AGREEMENT AND RELEASE

FOR AND IN CONSIDERATION of the mutual releases and other valuable considerations set forth in this AHEHA Agreement and the Settlement Agreement, County, Garcia and AHEHA hereby agree as follows:

1. Agreement to be Bound. AHEHA hereby agrees to be bound by all of the terms and conditions of the Settlement Agreement, as though "AHEHA" were substituted in place of "Coalition" throughout the Settlement Agreement.

2. Advice of Counsel. AHEHA has had a full and complete opportunity to review this AHEHA Agreement and the Settlement Agreement, and to seek advice on said documents from independent legal counsel.

3. Counterparts. This AHEHA Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same document.

4. Authority. Each person executing this AHEHA Agreement on behalf of an entity warrants and represents that he or she has full authority to execute the AHEHA Agreement on behalf of that entity and to fully bind that entity to the terms of this AHEHA Agreement.

5. Execution. This AHEHA Agreement shall be void and of no force and effect whatsoever unless it is fully executed by all parties hereto no later than the effective date of this AHEHA Agreement as stated in the Preamble.

"COUNTY"

COUNTY OF SANTA CLARA and BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CLARA

Dated: MAY 20 1997

By: *James T. Beall Jr.*  
Name: JAMES T. BEALL, JR.  
Title: Chairperson, Board of Supervisors

*Phyllis A. Perez*  
PHYLLIS A. PEREZ  
Clerk of the Board of Supervisors

APPROVED AS TO FORM:

*J. S. [Signature]*  
County Counsel

"GARCIA"

Dated: 5/30/97

*Rocke Garcia*  
ROCKE GARCIA

GARCIA DEVELOPMENT COMPANY, a California Corporation

Dated: 5/30/97

By: *Rocke Garcia*  
ROCKE GARCIA, President

APPROVED AS TO FORM:

MATTEONI, SAXE & NANDA

By: *Norman E. Matteoni*  
NORMAN E. MATTEONI

"AHEHA"

ALMADEN HILLS ESTATES HOMEOWNERS  
ASSOCIATION

Dated: 5/18/97

By: *George Bettisworth*  
GEORGE BETTISWORTH

Its: See

Dated: 05-19-97

By: *Charles M. Smith*  
CHARLES SMITH, President

APPROVED AS TO FORM BY LEGAL COUNSEL  
(if any):

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

By: \_\_\_\_\_

Name: \_\_\_\_\_

Firm: \_\_\_\_\_