

MONTEREY COUNTY



COUNTY ADMINISTRATIVE OFFICE

LEW C. BAUMAN
COUNTY ADMINISTRATIVE OFFICER

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November 18, 2008

East Garrison Partners I, LLC
c/o Woodman Development Company, LLC
24571 Silver Cloud Court, Suite 101
Monterey CA 93940

Re: Enforced Delay - East Garrison I Project

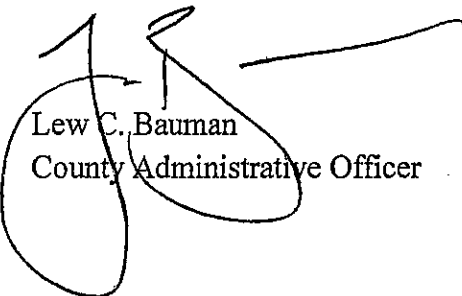
Gentlemen:

The Redevelopment Agency of the County of Monterey (the Agency) and the County of Monterey (County) have reviewed the additional material submitted by East Garrison Partners I, LLC (EGP) in justification of EGP's assertion of the Enforced Delay provisions of the Disposition and Development Agreement (DDA) and the Development Agreement (DA) between and among the Agency, EGP and the County. This letter will confirm that the Agency and County concur that the threshold requirements for Enforced Delay have been met.

This will also confirm, however, that EGP's obligations under separate agreements, including reimbursement agreements and agreements with the Fort Ord Reuse Authority, remain in full force and effect, unless separately modified by the appropriate bodies. Enforced Delay excuses development performance. It does not excuse other obligations.

We look forward to continuing discussions with EGP on the status of the project. Thank you for your prompt attention.

Sincerely,


Lew C. Bauman
County Administrative Officer