

**SAN LUIS OBISPO COUNTY
WASTEWATER ASSESSMENT DISTRICT NO. 1**

PRELIMINARY NOTICE OF ASSESSMENT

By resolution adopted on December 18, 2007 (“Resolution No. 2007-494”), the Board of Supervisors of the County of San Luis Obispo (the “County”) has levied a special assessment against the parcel of land and in the amount identified on the label affixed on the bottom of page two of this notice (the “Affixed Label”) to pay a portion of the cost and expense of certain wastewater system improvements (the “Proposed Project”) within the San Luis Obispo County Wastewater Assessment District No. 1 (the “Assessment District”), all as more fully described in the Engineer's Report for the Assessment District, which report was approved by Resolution No. 2007-494 and is on file with the County Director of Public Works.

This assessment was recorded in the office of the San Luis Obispo County Clerk-Recorder on February 27, 2008, and now constitutes a lien against the subject property. Based upon information in the Engineer’s Report, you appear to be the owner of the parcel of land within the Assessment District, as listed at the end of this notice, and that is the reason that this notice has been mailed to you. If this is not the case, you are requested to please notify John Diodati in the County Public Works Department, at (805) 788-2832 so that this notice can be forwarded to the present owner.

Assuming you are such an owner, the amount of the assessment levied on your parcel or parcels is set forth at the end of this notice.

You may pay all or any part of the assessment at this time, without interest, at the office of the San Luis Obispo County Public Works Department, San Luis Obispo County Government Center, Room 207, San Luis Obispo, California 93408. Checks should be made payable to the “County of San Luis Obispo,” and should be accompanied by a copy of this notice to assure proper credit. Payment of the full amount of the assessment will discharge any further obligation respecting this assessment. If you do not wish to pay your assessment in cash, you may pay it in installments over a period of years, with interest on the unpaid balance. Both the period of years and the interest rate or rates will be established at such time as the County completes a debt financing transaction (the “Debt Financing”) to be repaid from installments of principal and interest payable on account of unpaid assessments. The Debt Financing is expected to take the form of either (a) limited obligation improvement bonds or (b) a loan agreement with an agency of the State of California. In either case, the Debt Financing will be structured to provide, as nearly as possible, approximately equal annual installments of principal, interest, and administrative costs payable by property owners and collected on the County property tax bill.

Normally, this notice would state a deadline for payment of this assessment in cash. However, in this case, **no cash payment deadline has been established** because (a) the review of the Proposed Project ordered by Resolution No. 2007-494 has not yet been completed and (b) the schedule for implementing the Debt Financing has not been established. Once the approximate date for implementing the Debt Financing has been established, the County will mail a further notice, advising property owners of the cash payment deadline.

Therefore, unless you specifically wish to discharge the assessment obligation at this time and remove the recorded lien from your property, it is probably not in your interest to pay any part of your assessment at this time.

If you have questions about this notice, please telephone John Diodati of the County Public Works Department, at (805) 788-2832 If you do not own this property, please notify Mr./Ms. <_____>.

Dated: June 30, 2008

JULIE L. RODEWALD
Clerk of the Board of Supervisors
County of San Luis Obispo

By: /s/ Vicki M. Shelby,
Deputy Clerk

**THIS IS NOT A BILL
THIS IS ONLY A NOTICE**

The County is not seeking at this time to collect any part of the assessment or assessments which are the subject of this notice. While you may pay all or any part of the assessment or assessments set forth below for your parcel at this time if you wish, you are not required or even expected to do so, and no interest will accrue on this assessment until the Debt Financing is established. Further notice will be given prior to implementing the Debt Financing if you may later wish to pay this assessment without interest prior to the Debt Financing taking place.

In the event of a refund, pursuant to County Policy adopted on April 1, 2008, the amount refunded will be repaid to the current owner of this parcel at the time of refund based on the last equalized secured property tax roll.

PROPERTY ASSESSMENT INFORMATION:

APN: 000,000,000

ASSESSMENT AMOUNT: \$.00