

AGREEMENT REGARDING TIMING FOR COMPLETION OF FORMATION OF COMMUNITY FACILITIES DISTRICTS

THIS AGREEMENT REGARDING TIMING FOR COMPLETION OF FORMATION OF COMMUNITY FACILITIES DISTRICTS ("**Agreement**") is dated for reference purposes only as of May __, 2024, by and between LENNAR HOMES OF CALIFORNIA, LLC, a California limited liability company ("**Lennar**") and the COUNTY OF EL DORADO, a political subdivision of the State of California ("**County**").

RECITALS

A. Lennar, being a successor by statutory conversion to Lennar Homes of California, Inc., a California corporation, is a party to that certain Heritage Carson Creek Village 11 Development Agreement with an effective date of September 21, 2021, as adopted by the El Dorado County Board of Supervisors on August 10, 2021 (the "**Development Agreement**"), pertaining to the development of the real property described therein (the "**Project**"). All initially capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Development Agreement.

B. Lennar has entered into a land banking transaction with R-HEARTHSTONE LOT OPTION POOL 05, L.P., a Delaware limited partnership ("**Lennar Land Bank**") pursuant to which Lennar transferred title to the Property to the Lennar Land Bank and acquired an option to re-acquire the Property from the Lennar Land Bank pursuant to a take-down schedule.

C. The Development Agreement provides certain timing requirements for the formation of a CFD to fund the payment of the Supplemental Tax and the formation of a CFD to fund the payment of the Supplemental Ambulance Services Tax.

D. County and Lennar desire to enter into this Agreement to allow certain small lot final maps to be approved prior to formation of the aforementioned CFDs as otherwise required by the Development Agreement, all pursuant to the terms and conditions as set forth hereinbelow.

THEREFORE, in consideration of the foregoing and the agreements set forth below, the parties hereto agree as follows:

1. **Recitals; Effective Date.** The foregoing recitals are true and are incorporated herein by this reference as though set forth in full. For purposes of this Agreement, the term "**Effective Date**" shall mean the date when this Agreement is fully executed by all parties hereto.

2. **CFD to Fund the Supplemental Tax.** Section 3.8.1 of the Development Agreement provides in part, "Unless the County, in its sole discretion, agrees in writing in advance of approval of the first final small lot subdivision map, County and Developers shall cooperate, utilizing best efforts, to form the CFD prior to or concurrent with approval of the first final small lot subdivision map, and the County may withhold approval of any final small lot subdivision map until such CFD is formed. Any written agreement under this subsection to allow for approval and recordation of a final small lot subdivision map before formation of the CFD does not require an amendment to this Agreement." For purposes hereof, the CFD

referenced in Section 3.8.1 of the Development Agreement described above to fund the Supplemental Tax shall be referenced herein as the "**Supplemental Tax CFD.**"

3. **CFD to Fund the Supplemental Ambulance Services Tax.** Section 3.8.3 of the Development Agreement provides in part, "Unless the County, in its sole discretion, agrees in writing in advance of approval of the first final small lot subdivision map, County and Developers shall cooperate, utilizing best efforts, to form the CFD prior to approval of the first final small lot subdivision map, and the County may withhold approval of any final small lot subdivision map until such CFD is formed. Any written agreement under this subsection to allow for approval and recordation of a final small lot subdivision map before formation of the CFD does not require an amendment to this Agreement." For purposes hereof, the CFD referenced in Section 3.8.3 of the Development Agreement described above to fund the Supplemental Ambulance Services Tax shall be referenced herein as the "**Supplemental Ambulance Services Tax CFD.**" For purposes of this Agreement, the Supplemental Tax CFD and the Supplemental Ambulance Services Tax CFD are sometimes referenced herein collectively as the "**CFDs**".

4. **Cooperation on Formation of CFDs.** Lennar and County are cooperating with one another to form the CFDs and desire to form the CFDs as soon as reasonably possible. Lennar and County each covenant and agree to continue to use commercially reasonable efforts to cause and complete the formation of the CFDs as soon as reasonably possible in compliance with all applicable laws and regulations as more specifically described in the Development Agreement.

5. **Modification of Timing for Formation of CFDs.** Notwithstanding the timing requirements of Sections 3.8.1 and 3.8.3 of the Development Agreement, the County acknowledges approval of the small lot final map for Village 11A and agrees to allow Lennar to obtain approval of the small lot final map for Village 11B within the Project prior to formation of the CFDs. Lennar and County agree that no certificates of occupancy will be issued within Villages 11A and 11B prior to formation of the CFDs, that no lots within Villages 11A and 11B will close escrow on any sale (excluding a sale/transfer from the Lennar Land Bank to Lennar) prior to formation of the CFDs, and that no additional small lot final maps within the Project shall be approved prior to formation of the CFDs.

6. **Miscellaneous.**

a. **Warranty of Authority.** Each party whose signature is affixed hereto in a representative capacity represents and warrants that he or she is authorized to execute this Agreement on behalf of and to bind the entity on whose behalf his or her signature is affixed.

b. **Counterparts.** This Agreement may be executed in one or more counterparts. All executed counterparts shall constitute one agreement and each counterpart shall be deemed an original. The parties hereto hereby acknowledge and agree that facsimile signatures or signatures transmitted by electronic mail in so-called "pdf" format shall be legal and binding and shall have the same full force and effect as if an original of this Agreement had been delivered.

c. **Headings.** The headings used herein are for purposes of convenience only and should not be used in construing the provisions hereof.

d. **Covenant of Further Assurances.** The parties hereto agree to execute such other documents and perform such other acts as may be necessary or desirable to carry out the purposes of this Agreement.

e. **Entire Agreement.** This document, together with the Development Agreement, represents the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all other prior agreements. This Agreement may only be modified by a written instrument signed by all parties hereto. All exhibits attached to this Agreement are hereby incorporated into this Agreement as though fully set forth herein.

f. **Attorneys' Fees.** In any action at law or in equity brought to enforce or interpret any of the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and court costs, in addition to any other relief to which it may be entitled.

g. **Time of the Essence.** Time is of the essence of this Agreement.


h. **Governing Law; Venue.** This Agreement is entered into and shall be governed by and construed in accordance with the laws of the State of California. Venue for any dispute arising hereunder shall be El Dorado County, California.

[Signatures on Next Page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of dates inserted below.

LENNAR:

LENNAR HOMES OF CALIFORNIA, LLC,
a California limited liability company,
successor (by statutory conversion) to Lennar
Homes of California, Inc., a California
corporation

By: 
Name: Larry Gualco
Title: Vice President
Date: May 13, 2024


COUNTY:

COUNTY OF EL DORADO,
a political subdivision of the State of California

By: _____
Name: _____
Title: _____
Date: _____, 2024

ACKNOWLEDGED:

R-HEARTHSTONE LOT OPTION POOL 05,
L.P., a Delaware limited partnership
By: R-Hearthstone PBLOJV GP, LLC, a Delaware limited liability company
Its General Partner

By: 
Name: Steven C. Porath
Title: Authorized Representative
Date: May 14, 2024

ATTEST:

Clerk of the Board of Supervisors

By: _____