

**SECOND AMENDMENT  
TO AGREEMENT TO MAKE SUBDIVISION IMPROVEMENTS  
FOR CLASS 1 SUBDIVISION  
BETWEEN COUNTY, OWNER AND SUBDIVIDER**

**THIS SECOND AMENDMENT** to that certain Agreement to Make Subdivision Improvements for Class 1 Subdivision Between County, Owner and Subdivider (hereinafter referred to as the "Agreement"), made and entered by and between the **COUNTY OF EL DORADO**, a political subdivision of the State of California, (hereinafter referred to as "County"), and **LANDSOURCE HOLDING COMPANY, LLC**, a Delaware limited liability company, duly qualified to conduct business in the State of California, whose principal place of business is 25 Enterprise Drive, Suite 400, Aliso Viejo, California 92656, and whose local office address is 25124 Springfield Court, Suite 300, Valencia, California 91355 (hereinafter referred to as "Owner"); and **LENNAR COMMUNITIES, INC.**, a corporation duly qualified to conduct business in the State of California, whose principal place of business is 25 Enterprise Drive, #500, Aliso Viejo, California 92656, and whose local office address is 1420 Rocky Ridge Drive, Suite 320, Roseville, California 95661 (hereinafter referred to as "Subdivider"), concerning **WEST VALLEY VILLAGE, UNIT 4** (hereinafter referred to as "Subdivision"); the Final Map of which was filed with the El Dorado County Board of Supervisors on the 10<sup>th</sup> day of July, 2007;

**RECITALS**

**WHEREAS**, Landsource Holding Company, LLC transferred ownership of West Valley Village, Unit 4 to Meritage Homes of California, Inc., on December 18, 2012;

**WHEREAS**, County, Owner and Subdivider entered into that certain Subdivision Improvement Agreement on July 10, 2007, and entered into the First Amendment to the Agreement on January 29, 2013, in connection with the Subdivision, copies of Agreement and First Amendment are incorporated herein and made by reference a part hereof;

**WHEREAS**, on February 7, 2012, the Board of Supervisors directed the Department of Transportation to process an Amendment to the Agreement extending the time for completion of the subdivision improvements;

**WHEREAS**, on January 29, 2013, the Board of Supervisors approved First Amendment to Agreement 07-1458, to extend the time for completing subdivision improvements to February 7, 2013; to update the estimated costs of installing the improvements; to revise the bond amounts; and update County's notice recipients;

**WHEREAS**, Owner has not completed all of the improvements, but has requested an extension of time to complete the improvements subject to the terms and conditions contained herein, to February 7, 2014;

**WHEREAS**, Owner and County's notice recipients and County officer or employee with responsibility for administering this Agreement have changed;

**WHEREAS**, Lennar Communities, Inc. is the Subdivider of the property and has posted security to guarantee completion of the subdivision work;

NOW, THEREFORE, the parties hereto, in consideration of the recitals, terms and conditions herein, do hereby agree to amend the terms of the Agreement in this Second Amendment to read as follows:

**The Agreement is hereby amended such that all references to County’s “Department of Transportation” shall now read the “Transportation Division.”**

**Section 3 is amended to read as follows:**

3. Complete the Subdivision improvements contemplated under this Agreement on or before February 7, 2014.

**Section 29 is hereby amended to read as follows:**

29. All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested.

Notices to County shall be in duplicate and addressed as follows:

County of El Dorado  
Community Development Agency  
Transportation Division  
2850 Fairlane Court  
Placerville, California 95667

County of El Dorado  
Community Development Agency  
Transportation Division  
2850 Fairlane Court  
Placerville, California 95667

Attn.: Bard R. Lower  
Transportation Division Director

Attn.: Gregory Hicks  
Senior Civil Engineer

or to such other location as County directs.

Notices to Owner shall be addressed as follows:

Meritage Homes of California, Inc.  
1671 Monte Vista Avenue, Suite 214  
Vacaville, California 95688

Attn.: Barry Grant  
Division President

or to such other location as Owner directs.

Notices to Subdivider shall be addressed as follows:

Lennar Homes of California, Inc.  
1420 Rocky Ridge Drive, Suite 320  
Roseville, California 95661

Attn.: Larry Gualco, Vice President

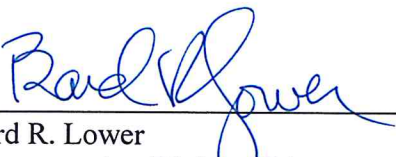
or to such other location as Subdivider directs.

**Section 30 shall be amended to read as follows:**

30. The County officer or employee with responsibility for administering this Agreement is Bard R. Lower, Transportation Division Director, Community Development Agency, or successor.

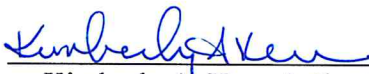
Except as herein amended, all other parts and sections of that certain Agreement dated July 10, 2007, as thereafter amended, shall remain unchanged and in full force and effect.

**Requesting Contract Administrator and Division Concurrence:**

By:   
Bard R. Lower  
Transportation Division Director  
Community Development Agency

Dated: 10/15/13

**Requesting Department Concurrence:**

By:   
Kimberly A. Kerr, Acting Director  
Community Development Agency

Dated: 10/15/13

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to the Agreement on the dates indicated below.

-- COUNTY OF EL DORADO --

By:   
\_\_\_\_\_  
**RON BRIGGS**  
Board of Supervisors  
"County"

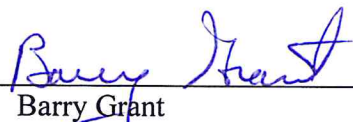
Dated: 11/5/13

Attest:  
James S. Mitrising  
Clerk of the Board of Supervisors

By:   
\_\_\_\_\_  
Deputy Clerk

Dated: 11/5/13

-- MERITAGE HOMES OF CALIFORNIA, INC. --

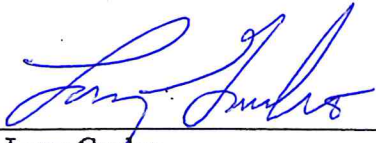
By:   
\_\_\_\_\_  
Barry Grant  
Division President  
"Owner"

Dated: 8/20/13

*Notary Acknowledgments Attached*

**--LENNAR COMMUNITIES, INC.--**  
A California Company

By: Lennar Homes of California, Inc.  
A California Company  
Its California Manager

By:   
\_\_\_\_\_  
Larry Gualco  
Vice President  
"Subdivider"

Dated: 9/23/13

**SECRETARY'S CERTIFICATE**

**MERITAGE HOMES OF CALIFORNIA, INC.**

I, Hilla Sferruzza, do hereby certify that I am the duly appointed Senior Vice President – Chief Accounting Officer, Corporate Controller and Assistant Secretary of Meritage Homes of California, Inc., a California corporation (the “Company”).

I also do hereby certify that Barry Grant is the Division President of the Northern California Division of the Company, and is authorized by and on behalf of the Company, to execute documents necessary or appropriate relating to his position as the Company’s Division President, including, but not limited to, documents, contracts, and agreements for: (i) the sale of completed homes (attached and detached), including deeds, closing statements, escrow instructions, HUD statements and forms, and related closing documents and instructions; (ii) the acquisition of real property, including land acquisition contracts, purchase contracts, option contracts, and related ancillary documents (such as deeds, closing documents and instructions); (iii) land planning and development, such as easements, declarations of covenant, conditions and restrictions/condominium declarations, joint development agreements, development agreements; and (iv) general and other contracts and agreements with subcontractors, vendors, service providers, and other third parties in the ordinary course of business.

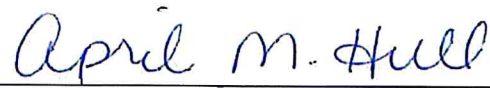
Dated: August 20, 2013

By:   
Name: Hilla Sferruzza  
Title: Senior Vice President –  
Chief Accounting Officer, Corporate  
Controller and Assistant Secretary

STATE OF ARIZONA        )  
  )  
COUNTY OF MARICOPA    )        ss.

The foregoing Certificate was subscribed and sworn to me this 20<sup>th</sup> day of August, 2013, by Hilla Sferruzza, Senior Vice President – Chief Accounting Officer, Corporate Controller and Assistant Secretary of Meritage Homes of California, a California corporation, on behalf thereof.



  
Notary Public

**OWNER**

**ACKNOWLEDGMENT**

State of California

County of Solano

On Aug. 20, 2013 before me, Rebecca A. Goddard, Notary Public,  
(here insert name and title of the officer)

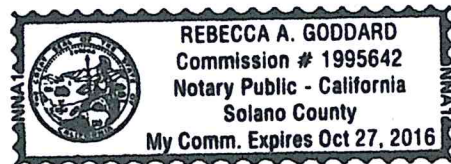
personally appeared Barry Grant

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)

**SUBDIVIDER**

**ACKNOWLEDGMENT**

State of California  
County of Placer

On Sept 23, 2013 before me, Monique Reynolds, Notary Public,  
(here insert name and title of the officer)

personally appeared Larry Galco

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 Monique Reynolds



(Seal)



# LENNAR HOMES OF CALIFORNIA, INC.

## CERTIFIED RESOLUTION

SEPTEMBER 23, 2013

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The undersigned, Mark Sustana, as the duly elected, qualified and acting Secretary of **Lennar Homes of California, Inc.**, a California corporation (the "Corporation"), hereby certifies that:

1. **LARRY GUALCO** is a duly elected, qualified and acting Vice President of the Corporation, serving continuously in such capacity since his election on March 1, 2002; and
2. All actions, transactions and deeds by **LARRY GUALCO** in his capacity as Vice President, in the name of or on behalf of the Corporation be, and they hereby are, ratified, confirmed and approved in all respects.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Incumbency on behalf of the Corporation effective as of the date first written above.

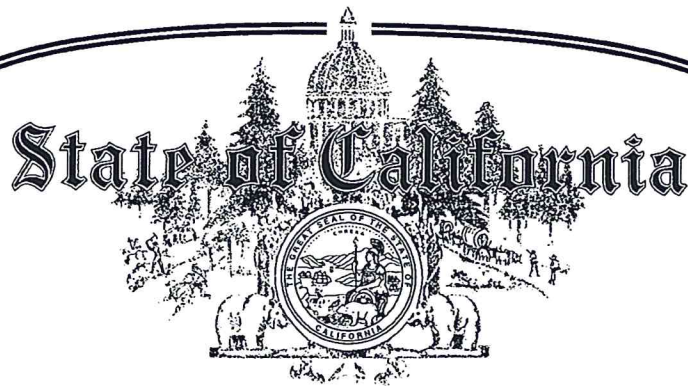
  
Mark Sustana, Secretary

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE

Sworn to and subscribed before me this 23 day of September 2013, by Mark Sustana, as Secretary of Lennar Homes of California, Inc., a California, on behalf of the Corporation. He is personally known to me and did not take an oath.

  
NOTARY PUBLIC  
State of Florida





**SECRETARY OF STATE**

I, *Kevin Shelley*, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.

**IN WITNESS WHEREOF**, I execute this certificate and affix the Great Seal of the State of California this day of

MAR - 9 2004



*Kevin Shelley*  
Secretary of State

A0608499

**ENDORSED - FILED**  
In the office of the Secretary of State  
of the State of California

MAR - 1 2004

**KEVIN SHELLEY**  
Secretary of State

**CERTIFICATE OF AMENDMENT  
OF ARTICLES OF INCORPORATION**

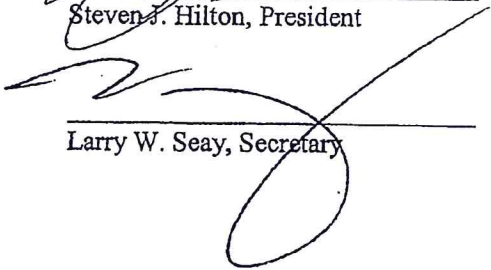
The undersigned certify that:

1. They are the president and the secretary, respectively, of Meritage Homes of Northern California, Inc., a California corporation.
2. Article First of the Articles of Incorporation of this corporation is amended in its entirety to read as follows:  
"FIRST: The name of the corporation is Meritage Homes of California, Inc."  
3. The foregoing amendment of Articles of Incorporation has been duly approved by the board of directors.
4. The foregoing amendment of Articles of Incorporation has been duly approved by the required vote of shareholders in accordance with Section 902, California Corporations Code. The total number of outstanding shares of the corporation is 1,000. The number of shares voting in favor of the amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: March 1, 2004

  
\_\_\_\_\_  
Steven J. Hilton, President

  
\_\_\_\_\_  
Larry W. Seay, Secretary

2111574

ARTICLES OF INCORPORATION

OF

JUN 17 1998

MERITAGE HOMES OF NORTHERN CALIFORNIA, INC.

CLERK, SECRETARY OF STATE

FIRST: The name of this corporation is Meritage Homes of Northern California, Inc.

SECOND: The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD: The name in this State of this corporation's initial agent for service of process is CT Corporation System

FOURTH: This corporation is authorized to issue only one class of shares of stock, which shall be common stock, and the total number of shares that this corporation is authorized to issue shall be 1,000.

FIFTH: The liability of the directors of this corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

SIXTH: This corporation is authorized to provide indemnification of agents (as defined in Section 317 of the California Corporations Code) through bylaw provisions, agreements with agents, vote of shareholders or disinterested directors or otherwise, in excess of the indemnification otherwise permitted by Section 317 of the California Corporations Code, subject only to the applicable limits set forth in Section 204 of the California Corporations Code with respect to actions for breach of duty to the corporation and its shareholders.

Dated: June 16, 1998

  
David Hinnant, Incorporator

# ORIGINAL

**FIRST AMENDMENT**  
**TO AGREEMENT TO MAKE SUBDIVISION IMPROVEMENTS**  
**FOR CLASS 1 SUBDIVISION**  
**BETWEEN COUNTY, OWNER AND SUBDIVIDER**

**THIS FIRST AMENDMENT** to that certain Agreement to Make Subdivision Improvements for Class 1 Subdivision Between County, Owner and Subdivider (hereinafter referred to as the "Agreement"), made and entered by and between the **COUNTY OF EL DORADO**, a political subdivision of the State of California, (hereinafter referred to as "County"), and **LANDSOURCE HOLDING COMPANY, LLC**, a Delaware limited liability company, duly qualified to conduct business in the State of California, whose principal place of business is 25 Enterprise Drive, Suite 400, Aliso Viejo, California 92656, and whose local office address is 25124 Springfield Court, Suite 300, Valencia, California 91355 (hereinafter referred to as "Owner"); and **LENNAR COMMUNITIES, INC.**, a corporation duly qualified to conduct business in the State of California, whose principal place of business is 25 Enterprise Drive, #500, Aliso Viejo, California 92656, and whose local office address is 1075 Creekside Ridge Drive, Suite 110, Roseville, California 95678-1936 (hereinafter referred to as "Subdivider"), concerning **WEST VALLEY VILLAGE, UNIT 4** (hereinafter referred to as "Subdivision"); the Final Map of which was filed with the El Dorado County Board of Supervisors on the 10<sup>th</sup> day of July, 2007;

**RECITALS**

**WHEREAS**, the Agreement requires Owner and Subdivider to complete the subdivision improvements thereunder on or before July 10, 2009, and Owner and Subdivider have not completed all of the improvements but have requested an extension of time to complete the subdivision improvements;

**WHEREAS**, on February 7, 2012, the Board of Supervisors directed the Department of Transportation to process an amendment to the Agreement extending the time for completion of the subdivision improvements for Board approval;

**WHEREAS**, Owner requested a reduction to the Performance Bond because the street, sewer, water, recycled water, and underground power and telephone improvements were eighty-five percent (85%) completed, and the drainage improvements were sixty-five percent (65%) completed, thus, the Performance Bond was reduced on September 23, 2008. The estimated costs of installing the improvements have changed, requiring amended cost exhibits, an increased performance bond and a decreased laborers and materialmens bond;

**WHEREAS**, the County's notice recipients and the County officer or employee with responsibility for administering this Agreement have changed;

**NOW, THEREFORE**, the parties hereto, in consideration of the recitals, terms and conditions herein, do hereby agree to amend the terms of the Agreement as follows:

Section 1 shall be amended to read as follows:

1. Make or cause to be made all those public improvements in Subdivision required by Section 16.16.010 of the El Dorado County Ordinance Code (hereinafter referred to as "Code") and shown or described in the improvement plans, specifications and cost estimates entitled **PLANS FOR THE IMPROVEMENT OF WEST VALLEY UNIT 4** which were approved by the County Engineer, Department of Transportation, on May 15, 2006. Attached hereto are Amended Exhibit A, marked "Amended Schedule of Street Improvements;" Amended Exhibit B, marked "Amended Schedule of Storm Drainage Improvements;" Amended Exhibit C, marked "Amended Schedule of Sanitary Sewer Improvements;" Amended Exhibit D, marked "Amended Schedule of Water Improvements;" Amended Exhibit E, marked "Amended Schedule of Recycled Water Improvements;" Amended Exhibit F, marked "Amended Schedule of Underground Power and Telephone Improvements;" and the certificate, marked "Amended Certificate of Partial Completion of Subdivision Improvements," all of which are incorporated herein and made by reference a part hereof. The Amended Exhibits and Certificate of Partial Completion describe quantities, units and costs associated with the improvements to be made.

Section 3 is hereby amended to read as follows:

3. Complete the Subdivision improvements contemplated under this Agreement on or before February 7, 2013.

Section 23 shall be amended to read as follows:

23. The estimated cost of installing all of the improvements is **TWO MILLION EIGHT HUNDRED SIXTY THOUSAND FOURTEEN DOLLARS AND 04/100 (\$2,860,014.04)**. The revised cost estimates shall be in accordance with the certificate marked, "Amended Certificate of Partial Completion of Subdivision Improvements," incorporated herein and made by reference a part hereof.

Section 29 shall be amended to read as follows:

29. All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested.

Notices to County shall be in duplicate and addressed as follows:

County Of El Dorado  
Department Of Transportation  
2850 Fairlane Court  
Placerville, California 95667  
  
Attn.: Steve P. Kooyman, P.E.  
Acting Deputy Director,  
Engineering,  
Transportation Planning &  
Land Development Division

County Of El Dorado  
Department Of Transportation  
2850 Fairlane Court  
Placerville, California 95667  
  
Attn.: Janel Gifford, P.E.  
Office Engineer/Contract Services Unit

or to such other location as County directs.

Notices to Owner shall be addressed as follows:

LandSource Holding Company, LLC  
25124 Springfield Court, Suite 300  
Valencia, California 91355

Attn.: Jeffrey Lawhon, Vice President

or to such other location as Owner directs.

Notices to Subdivider shall be addressed as follows:

Lennar Communities, Inc.  
~~1075 Creekside Ridge Drive, Suite 110~~ 1420 Rocky Ridge Drive, Ste. 320  
Roseville, California ~~95678-1936~~ 95661

Attn.: Larry Gualco, Vice President

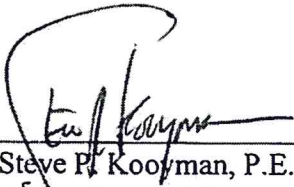
or to such other location as Subdivider directs.

Section 30 shall be amended to read as follows:

30. The County officer or employee with responsibility for administering this Agreement is Steve P. Kooyman, P.E., Acting Deputy Director, Engineering, Transportation Planning & Land Development, Department of Transportation, or successor.

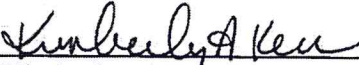
Except as herein amended, all other parts and sections of that certain Agreement shall remain unchanged and in full force and effect.

**Contract Administrator Concurrence:**

By:   
Steve P. Koopman, P.E.  
Acting Deputy Director, Engineering  
Transportation Planning &  
Land Development Division  
Department of Transportation

Dated: 1/7/13

**Requesting Department Concurrence:**

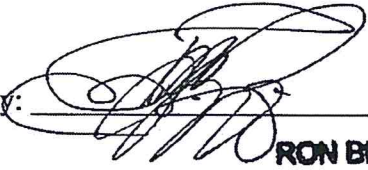
By:   
Kimberly A. Kerr, Interim Director  
Department of Transportation

Dated: 1/8/13



IN WITNESS WHEREOF, the parties have executed this First Amendment to the Agreement on the dates indicated below, the latest of which shall be deemed to be the effective date of this First Amendment.

--COUNTY OF EL DORADO--

By:  \_\_\_\_\_  
**RON BRIGGS, Chair**

Dated: 1-29-13

Board of Supervisors  
"County"

Attest:

~~Fern Daly~~ **JAMES S. Mitrisin**  
~~Acting~~ Clerk of the Board of Supervisors

By:  \_\_\_\_\_  
Deputy Clerk

Dated: 1-29-13

**"OWNER"**  
**LANDSOURCE HOLDING COMPANY, LLC**  
**A Delaware Limited Liability Company**

By: LandSource Holding Company, LLC  
A Delaware Limited Liability Company

By: Newhall Land Development, LLC  
A Delaware Limited Liability Company  
its Sole Member

By: Newhall Holding Company, LLC  
A Delaware Limited Liability Company,  
its Manager

By:  \_\_\_\_\_  
Jeffrey Lawhon  
Vice President

Dated: 10/19/12

OWNER

ACKNOWLEDGMENT

State of California

County of Los Angeles

On December 10, 2012 before me, Mary Alexander, Notary Public  
(here insert name and title of the officer)

personally appeared Jeffrey R. Lawton

personally known to me (or 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.

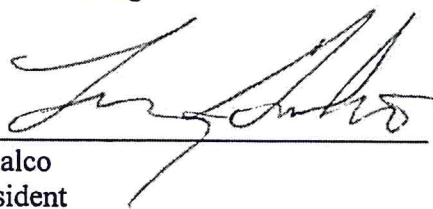
WITNESS my hand and official seal.

Signature Mary Alexander



**"SUBDIVIDER"**  
**LENNAR COMMUNITIES, INC.**  
**A California Company**

By: Lennar Homes of California, Inc.  
A California Corporation  
Its California Manager

By:   
Larry Gualco  
Vice President

Dated: 10/17/12

By: \_\_\_\_\_  
Corporate Secretary

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

**"SUBDIVIDER"**  
**LENNAR COMMUNITIES, INC.**  
**A California Company**

By: Lennar Homes of California, Inc.  
A California Corporation  
Its California Manager

By: \_\_\_\_\_  
Larry Gualco  
Vice President

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

By: Paul Keith  
\_\_\_\_\_  
~~Corporate Secretary~~  
VPI Division Controller

Dated: 12/19/12

SUBDIVIDER

ACKNOWLEDGMENT

State of California

County of Placer

On 12/7/12 before me, Monique Reynolds, Notary Public  
(here insert name and title of the officer)

personally appeared Larry Gualco

~~personally known to me~~ (or 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.

WITNESS my hand and official seal.

Signature Monique Reynolds



(Seal)

**SUBDIVIDER**

**ACKNOWLEDGMENT**

State of California

County of Placer

On 12/19/12 before me, Monique Reynolds, Notary Public  
(there insert name and title of the officer)

personally appeared Earl Keith

~~personally known to me~~ (or 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.

WITNESS my hand and official seal.

Signature Monique Reynolds



(Seal)

**Amended Exhibit A**

**Amended Schedule of Street Improvements**

Owner and Subdivider agree to improve all streets and roads for dedication upon the final map of the **West Valley Village, Unit 4** Subdivision required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Amended Schedule of Street Improvements:

| <b>Item Description</b>                         | <b>Quantity</b> | <b>Units</b> | <b>Unit Cost</b> | <b>Total Cost</b>    |
|---|-----------------|--------------|------------------|----------------------|
| 3"AC/8"AB                                       | 88,252          | SF           | \$ 3.36          | \$ 296,526.72        |
| Type 1 Rolled Curb and Gutter                   | 5,034           | LF           | \$ 18.00         | \$ 90,612.00         |
| Type 2 Vertical Curb and Gutter                 | 398             | LF           | \$ 18.00         | \$ 7,164.00          |
| Sidewalk Ramps                                  | 14              | EA           | \$ 600.00        | \$ 8,400.00          |
| Street Signs                                    | 6               | EA           | \$ 300.00        | \$ 1,800.00          |
| 4"PCC Sidewalk                                  | 5,500           | SF           | \$ 4.80          | \$ 26,400.00         |
| Stop Signs w/ Stop Bars                         | 5               | EA           | \$ 600.00        | \$ 3,000.00          |
| <b>Amended Subtotal for Street Improvements</b> |                 |              |                  | <b>\$ 433,902.72</b> |

**Amended Exhibit B**

**Amended Schedule of Storm Drainage Improvements**

Owner and Subdivider agree to install the drainage improvements in the **West Valley Village, Unit 4** Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Amended Schedule of Storm Drainage Improvements:

| <b>Item Description</b>                  | <b>Quantity</b> | <b>Units</b> | <b>Unit Cost</b>   | <b>Total Cost</b>   |
|--|-----------------|--------------|--------------------|---------------------|
| 12" Storm Drain Pipe-HDPE                | 252             | LF           | \$ 42.00           | \$ 10,584.00        |
| 18" Storm Drain Pipe-HDPE                | 1,219.86        | LF           | \$ 54.00           | \$ 65,872.44        |
| 24" Storm Drain Pipe-HDPE                | 265.77          | LF           | \$ 66.00           | \$ 17,540.82        |
| 30" Storm Drain Pipe-HDPE                | 173.49          | LF           | \$ 78.00           | \$ 13,532.22        |
| 36" Storm Drain Pipe-HDPE                | 696.23          | LF           | \$ 90.00           | \$ 62,660.70        |
| Std. Type "B" Drain Inlet                | 9               | EA           | \$ 3,600.00        | \$ 32,400.00        |
| Saddle Type "B" Drain Inlet              | 1               | EA           | \$ 3,600.00        | \$ 3,600.00         |
| <b>Amended Subtotal for Street Impro</b> | <b>7</b>        | <b>EA</b>    | <b>\$ 6,000.00</b> | <b>\$ 42,000.00</b> |
| 48" Storm Drain Manhole                  | 8               | EA           | \$ 3,240.00        | \$ 25,920.00        |
| 60" Storm Drain Manhole                  | 1               | EA           | \$ 4,200.00        | \$ 4,200.00         |
| TV Inspection                            | 2,607.35        | LF           | \$ 2.00            | \$ 5,214.70         |

**Amended Subtotal for Storm Drainage Improvements: \$ 283,524.88**



**Amended Exhibit C**

**Amended Schedule of Sanitary Sewer Improvements**

Owner and Subdivider agree to install the sanitary sewer collection and disposal system in the **West Valley Village, Unit 4** Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Amended Schedule of Sanitary Sewer Improvements:

| <b>Item Description</b> | <b>Quantity</b> | <b>Units</b> | <b>Unit Cost</b> | <b>Total Cost</b> |
|-------------------------|-----------------|--------------|------------------|-------------------|
| 6" Sewer Line (SDR-35)  | 1,806.74        | LF           | \$ 54.00         | \$ 97,563.96      |
| 6" Sewer Line (SDR-26)  | 948.70          | LF           | \$ 66.00         | \$ 62,614.20      |
| Std. 48" Manhole        | 12              | EA           | \$ 3,360.00      | \$ 40,320.00      |
| Std. 60" Manhole        | 2               | EA           | \$ 4,200.00      | \$ 8,400.00       |
| 4" Sewer Services       | 54              | EA           | \$ 1,200.00      | \$ 64,800.00      |
| Sewer Cleanout          | 3               | EA           | \$ 900.00        | \$ 2,700.00       |
| TV Inspection           | 3,835.44        | EA           | \$ 2.00          | \$ 7,670.88       |

**Amended Subtotal for Sanitary Sewer Improvements: \$ 284,069.04**

**Amended Exhibit D**

**Amended Schedule of Water Improvements**

Owner and Subdivider agree to install the water supply and distribution system in the **West Valley Village, Unit 4** Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Amended Schedule of Water Improvements:

| <b>Item Description</b> | <b>Quantity</b> | <b>Units</b> | <b>Unit Cost</b> | <b>Total Cost</b> |
|-------------------------|-----------------|--------------|------------------|-------------------|
| 8" PVC C-900 (CL 150)   | 2,963.22        | LF           | \$ 60.00         | \$ 177,793.20     |
| 8" Gate Valve           | 16              | EA           | \$ 1,200.00      | \$ 19,200.00      |
| 1"ARV                   | 3               | EA           | \$ 3,000.00      | \$ 9,000.00       |
| 2"BOV                   | 6               | EA           | \$ 3,360.00      | \$ 20,160.00      |
| Fire Hydrants           | 5               | EA           | \$ 3,120.00      | \$ 15,600.00      |
| Water Services          | 54              | EA           | \$ 1,440.00      | \$ 77,760.00      |

**Amended Subtotal for Water Improvements: \$ 319,513.20**

**Amended Exhibit E**

**Amended Schedule of Recycled Water Improvements**

Owner and Subdivider agree to install the recycled water supply and distribution system in the **West Valley Village, Unit 4** Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Amended Schedule of Recycled Water Improvements:

| <b>Item Description</b>       | <b>Quantity</b> | <b>Units</b> | <b>Unit Cost</b> | <b>Total Cost</b> |
|-------------------------------|-----------------|--------------|------------------|-------------------|
| 6" Purple Plus C-900 (CL 150) | 2,742.88        | LF           | \$ 42.00         | \$ 115,200.96     |
| 6" Gate Valve                 | 12              | EA           | \$ 1,020.00      | \$ 12,240.00      |
| 1" ARV                        | 3               | EA           | \$ 3,000.00      | \$ 9,000.00       |
| 2" BOV                        | 5               | EA           | \$ 3,360.00      | \$ 16,800.00      |
| Recycled Water Services       | 54              | EA           | \$ 1,440.00      | \$ 77,760.00      |

**Amended Subtotal for Recycled Water Improvements: \$ 231,000.96**

**Amended Exhibit F**

**Amended Schedule of Underground Power and Telephone Improvements**

Owner and Subdivider agree to install the underground power and telephone utilities in the **West Valley Village, Unit 4** Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Amended Schedule of Underground Power and Telephone Improvements:

| <b>Item Description</b> | <b>Quantity</b> | <b>Units</b> | <b>Unit Cost</b> | <b>Total Cost</b> |
|-------------------------|-----------------|--------------|------------------|-------------------|
| Mainline Trenching      | 54              | LOT          | \$ 1,600.00      | \$ 86,400.00      |
| Conduit and Boxes       | 54              | LOT          | \$ 1,200.00      | \$ 64,800.00      |
| Wiring and Transformers | 54              | LOT          | \$ 1,200.00      | \$ 64,800.00      |
| Utility Services        | 54              | LOT          | \$ 8,000.00      | \$ 432,000.00     |

**Amended Subtotal for Underground Power and Telephone Improvements: \$ 648,000.00**

**Amended Certificate of Partial Completion of Subdivision Improvements**

I hereby certify that the following cost estimates have been revised to reflect the current economy and that improvements for West Valley Village Unit 4 Subdivision, TM 99-1359R have been completed, to wit:

|  | Total Amount           | Percent Complete | Remaining Amount     |
|--|------------------------|------------------|----------------------|
| Street Improvements                          | \$ 433,902.72          | 32.91%           | \$ 291,105.33        |
| Storm Drainage Improvements                  | \$ 283,524.88          | 94.47%           | \$ 15,678.93         |
| Sanitary Sewer Improvements                  | \$ 284,069.04          | 83.92%           | \$ 45,678.30         |
| Water Improvements                           | \$ 319,513.20          | 96.46%           | \$ 11,310.77         |
| Recycled Water Improvements                  | \$ 231,000.96          | 95.76%           | \$ 9,794.44          |
| Underground Power and Telephone Improvements | \$ 648,000.00          | 61.45%           | \$ 249,804.00        |
| Project Administration (2%)                  | \$ 44,000.22           | 0%               | \$ 44,000.22         |
| Construction Staking (4%)                    | \$ 88,000.43           | 71.67%           | \$ 24,930.52         |
| Construction Management (10%)                | \$ 220,001.08          | 71.67%           | \$ 62,326.31         |
| Contingency (10%)                            | \$ 220,001.08          | 0%               | \$ 220,001.08        |
| Erosion Control Inspection (4%)              | \$ 88,000.43           | 71.67%           | \$ 24,930.52         |
| <b>Total</b>                                 | <b>\$ 2,860,014.04</b> | <b>0%</b>        | <b>\$ 999,560.42</b> |


I estimate the total cost of completing the improvements agreed to be performed by the Owner and Subdivider to be Two Million Eight Hundred Sixty Thousand Fourteen Dollars and 04/100 (\$2,860,014.04).

I estimate the revised total cost of completing the remainder of the improvements to be Nine Hundred Ninety-Nine Thousand Five Hundred Sixty Dollars and 42/100 (\$999,560.42) and the revised cost of the completed work to be One Million Eight Hundred Sixty Thousand Four Hundred Fifty-Three Dollars and 62/100 (\$1,860,453.62).

The revised amount of the Performance Bond is One Million One Hundred Eighty-Five Thousand Six Hundred Five Dollars and 78/100 (\$1,185,605.78), representing a reduction of 90% of the revised cost estimate for the work completed.

The amount of the Laborers and Materialsmen Bond is One Million Four Hundred Thirty Thousand Seven Dollars and 02/100 (\$1,430,007.02), which is 50% of the Total Cost of the Improvements.

DATED: 10-15-12

  
 David R. Crosarial, RCE 34520  
 CTA Engineering & Surveying  
 3233 Monier Circle  
 Rancho Cordova, CA 95742



ACCEPTED BY THE COUNTY OF EL DORADO

DATED: 1/1/13

  
 Steve P. Kooyman, P.E.  
 Acting Deputy Director, Engineering  
 Transportation Planning & Land  
 Development Division

Rider #1  
West Valley Village Unit 4, TM 99-1359R

**RIDER**

To be attached and form part of:

Bond Number 6547251  
dated July 22, 2009

issued by the Safeco Insurance Company of America  
(Surety)  
in the amount of \$ 722,530.33 – Performance Bond;  
\$1,496,007.35 - Laborers and Materialmens Bond

on behalf of Lennar Communities, Inc.  
(Principal)

and in favor of County of El Dorado, California  
(Obligee)

Now therefore, it is agreed that in consideration of the premium charged, the referenced bond shall be amended as follows:

|  |                                       |
|--|---------------------------------------|
| <b>Bond amount amended as follows, respectively:</b> |                                       |
| <b>Performance Bond</b>                              | <b>Laborers and Materialmens Bond</b> |
| From: \$ 722,530.33                                  | From: \$1,496,007.35                  |
| To: \$1,185,605.78                                   | To: \$1,430,007.02                    |

It is further understood and agreed that all other terms and conditions of this bond shall remain unchanged.

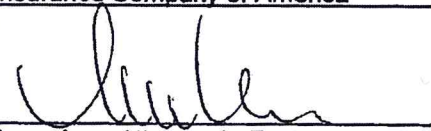
This Rider is to be Effective this 1st day of November, 2012.

Signed, Sealed and Dated this 30th day of October, 2012.

Lennar Communities, Inc., a California corporation  
(Principal)

By: 

Safeco Insurance Company of America  
(Surety)

By:   
Irene Lau, Attorney-in-Fact

**Acknowledged and approved:**

County of El Dorado

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

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Orange

On OCT 30 2012 before me, Kathy R. Mair, Notary Public  
DATE [Name of Notary Public and Title "Notary Public"]

personally appeared Irene Lau  
[Name(s) of Signer(s)]

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.



(Seal)

Kathy R. Mair  
Signature of Notary Public

**OPTIONAL**

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

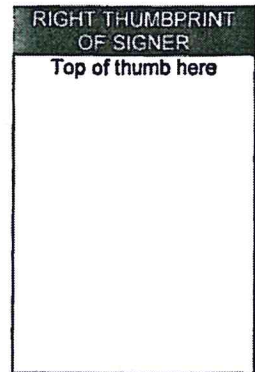
Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer**

Signer's Name: Irene Lau

- Individual
- Corporate Officer – Title(s): \_\_\_\_\_
- Partner –  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_





POWER OF ATTORNEY

Safeco Insurance Company of America
General Insurance Company of America
1001 4th Avenue
Suite 1700
Seattle, WA 98154

No. 7538

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

\*\*\*\*\*IRENE LAU; KATHY R. MAIR; Newport Beach, CA\*\*\*\*\*

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 21st day of March 2009

Dexter R. Legg (handwritten signature)

TAMIKOLAJEWSKI (handwritten signature)

Dexter R. Legg, Secretary

Timothy A. Mikolajewski, Vice President

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business...

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out, (i) The provisions of Article V, Section 13 of the By-Laws, and (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and (iii) Certifying that said power-of-attorney appointment is in full force and effect, the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Dexter R. Legg, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this OCT 30 2012 day of



Dexter R. Legg (handwritten signature)

Dexter R. Legg, Secretary



SUBDIVIDER

ACKNOWLEDGMENT

State of California  
County of Placer

On 12/7/12 before me, Monique Reynolds, Notary Public  
(here insert name and title of the officer)

personally appeared Larry Gualco

~~personally known to me~~ (or 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.

WITNESS my hand and official seal.

Signature Monique Reynolds



(Seal)

ORIGINAL

**AGREEMENT TO MAKE SUBDIVISION IMPROVEMENTS**  
**FOR CLASS 1 SUBDIVISION**  
**BETWEEN COUNTY, OWNER AND SUBDIVIDER**

**THIS AGREEMENT**, made and entered into by and between the **COUNTY OF EL DORADO**, a political subdivision of the State of California, (hereinafter referred to as "County"), and **LANDSOURCE HOLDING COMPANY, LLC**, a Delaware limited liability company, duly qualified to conduct business in the State of California, whose principal place of business is 700 NW 107<sup>th</sup> Avenue, Miami, Florida 33172, and whose local office address is 25 Enterprise Drive, #500, Aliso Viejo, California 92656 (hereinafter referred to as "Owner"); and **LENNAR COMMUNITIES, INC.**, a corporation duly qualified to conduct business in the State of California, whose principal place of business is 25 Enterprise Drive, #500, Aliso Viejo, California 92656, and whose local office address is 1075 Creekside Ridge Drive, Suite 110, Roseville, California 95678-1936 (hereinafter referred to as "Subdivider"), concerning **WEST VALLEY UNIT 4** (hereinafter referred to as "Subdivision"); the Final Map of which was filed with the El Dorado County Board of Supervisors on the 10<sup>th</sup> day of July, 2007.

**RECITALS**

Owner is vested with fee title to the Subdivision, a tract of land located in the County of El Dorado, State of California, and described as **West Valley Village Unit 4, TM 99-1359R**. Owner desires Subdivider to construct on said property certain public improvements as hereinafter described in connection with the Subdivision.

In consideration for the complete construction and dedication of all the public improvements specified in this Agreement, the approval and acceptance by County's Board of Supervisors, and the Final Map to be filed and recorded, the parties agree as follows:

**AGREEMENT**

**SUBDIVIDER WILL:**

1. Make or cause to be made all those public improvements in Subdivision required by Section 16.16.010 of the El Dorado County Ordinance Code (hereinafter referred to as "Code") and shown or described in the improvement plans, specifications and cost estimates entitled **Plans for the Improvement of West Valley Unit 4** which were approved by the County Engineer, Department of Transportation, on May 15, 2006. Attached hereto are Exhibit A, marked "Schedule of Street Improvements;" Exhibit B, marked "Schedule of Storm Drainage Improvements;" Exhibit C, marked "Schedule of Sanitary Sewer Improvements;" Exhibit D, marked "Schedule of Water Improvements;" Exhibit E, marked "Schedule of Recycled Water Improvements," and Exhibit F, marked "Schedule of Underground Power And Telephone Improvements," all of which Exhibits are incorporated herein and made by reference a part hereof. The Exhibits describe quantities, units and costs associated with the improvements to be made.

2. Prior to commencing construction, obtain all necessary environmental clearances, acquire any necessary right-of-way and obtain any necessary permits from any outside agencies.
3. Complete the Subdivision improvements contemplated under this Agreement within two (2) years from the date that the Subdivision Final Map is filed with County's Board of Supervisors.
4. Install or cause to be installed, modify or cause to be modified, any and all erosion and sediment control features, whether temporary or permanent, deemed necessary by the County Engineer to ensure compliance with the Clean Water Act, the Statewide General Permit, and County's Grading, Erosion and Sediment Control Ordinances. Failure to comply with this provision shall constitute a material breach of this Agreement.
5. Post security acceptable to County as provided in Section 16.16.050 of the Code. In the event that the Sureties issuing the posted securities are subsequently downgraded to a rating unacceptable to County in its sole discretion, Subdivider shall, upon twenty (20) days written notice by County, post replacement securities issued by Sureties that are acceptable to County.
6. Provide for and pay the costs of related civil engineering services, including the costs of inspection and utility relocation when required, and attorneys' fees, costs, and expenses of legal services.
7. Provide deposit for and cover all costs of construction oversight, inspection, administration and acceptance of the work by County in accordance with the County Engineer Fee Schedule adopted by Resolution of County's Board of Supervisors.
8. Have as-built plans prepared by a civil engineer acceptable to County's Department of Transportation and filed with the Department of Transportation as provided in Section 16.16.060 of the Code.
9. Repair at Subdivider's sole cost and expense, any defects, in workmanship or materials, which appear in the work within one (1) year following acceptance of the work by County.
10. To the fullest extent allowed by law, defend, indemnify and hold County harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorneys fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any other economic or consequential losses, which are claimed to or in any way arise out of or are connected with Subdivider's work, design, operation, construction of the improvements, or performance of this Agreement, regardless of the existence or degree of fault or negligence on the part of County, Subdivider, Owner, any Contractor(s), Subcontractor(s) and employee(s) of any of these, except for the sole, or active negligence of County, its officers and employees, or as expressly provided by statute. This duty of Subdivider to indemnify and save County harmless includes the duties to defend set forth in California Civil Code section 2778.

This duty to indemnify is separate and apart from any insurance requirements and shall not be limited thereto.

**OWNER WILL:**

11. Enter into another agreement with County for all road improvements to be performed on County property. Such agreement shall include a requirement that Owner furnish insurance and bonds that comply with the standard County insurance and bonding requirements in the amounts stated, to be approved by County's Risk Management Division.

12. Consent to the subject improvements and provide continuous, sufficient access to County, Subdivider, Owner, its successors and assigns, including but not limited to its Surety and Surety's agents, to the Subdivision to enable the public improvements to be constructed and completed. Access shall be continuous until completion of said public improvements, and release by County of the security underlying this Agreement.

13. Agree that said agreement to provide continuous, sufficient access is irrevocable and shall run with the land and shall be binding upon and inure to the benefit of the heirs, successors, assigns and personal representatives of Owner.

14. To the fullest extent allowed by law, defend, indemnify and hold County harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorneys fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any other economic or consequential losses, which are claimed to or in any way arise out of or are connected with Owner's work, design, operation, construction of the improvements, or performance of this Agreement, regardless of the existence or degree of fault or negligence on the part of County, Subdivider, Owner, any Contractor(s), Subcontractor(s) and employee(s) of any of these, except for the sole, or active negligence of County, its officers and employees, or as expressly provided by statute. This duty of Owner to indemnify and save County harmless includes the duties to defend set forth in California Civil Code section 2778.

This duty to indemnify is separate and apart from any insurance requirements and shall not be limited thereto.

**COUNTY WILL:**

15. Upon execution of this Agreement and receipt of good and sufficient security as required by Section 16.16.050 of the Code and upon compliance with all requirements of law, including all County ordinances, approve the Final Map of the Subdivision.

16. Upon receipt of a certificate from County's Director of Transportation stating that a portion of the public improvements agreed to be performed herein has been completed, describing generally the work so completed and the estimated total cost of completing the remainder of the public improvements agreed upon to be performed herein, accept new security as provided in Section 16.16.040 of the Code.

17. Release the security posted in accordance with Sections 16.16.040 and 16.16.052 of the Code.

18. Require Owner and/or Subdivider to make such alterations, deviations, additions to, or deletions from, the improvements shown and described on the plans, specifications, and cost estimates as may be deemed by County's Director of Transportation to be necessary or advisable for the proper completion or construction of the whole work contemplated.

19. Require Owner and/or Subdivider to maintain, and to make such alterations, deviations, additions to, or deletions from, the project erosion control features shown and described on the plans, specifications and cost estimate and the Storm Water Pollution Prevention Plan (SWPPP) as may be deemed necessary by County's Director of Transportation to be necessary or advisable for compliance with the Clean Water Act, Statewide General Permit requirements and County's Grading, Erosion and Sediment Control Ordinances.

20. Upon completion of the public improvements agreed to be performed herein, adopt a resolution accepting or rejecting the streets of said Subdivision into the County road system for maintenance.

21. Retain a portion of the security posted in the amount of ten percent (10%) of the estimated cost of all of the improvements for one (1) year following acceptance of the work by the County to secure the repair of any hidden defects in workmanship or materials which may appear.

22. Require Owner and Subdivider to pay County for costs, expenses and reasonable attorneys' fees should County be required to commence an action to enforce the provisions of this Agreement, to enforce the security obligations provided herein, and all attorneys' fees, costs, and expenses of litigation incurred by County even if Owner or Subdivider subsequently proceeds to complete the work.

**ADDITIONAL PROVISIONS:**

23. The estimated cost of installing all of the improvements is **TWO MILLION NINE HUNDRED NINETY-TWO THOUSAND FOURTEEN DOLLARS AND 69/100 (\$2,992,014.69)**.

24. Subdivider and Owner shall conform to and abide by all Federal, State and local building, labor and safety laws, ordinances, rules and regulations. All Work and materials shall be in full accordance with the applicable rules and regulations of the State Fire Marshall, safety orders of the Division of Industrial Safety, California Electrical Code, California Building Code, California Plumbing Code, and any and all other applicable laws and regulations. Nothing in this Agreement, including but not limited to the improvement plans and specifications and cost estimates, is to be construed to permit work not conforming to these codes.

25. West Valley Village is the subject of the Valley View Specific Plan Development Agreement, entered into by predecessors in interest to Owner and County on December 8, 1998 (hereinafter "Development Agreement"). The predecessor in interest West Valley, LLC, a Limited Liability Company entered into that certain Road Improvement Agreement between the County and West Valley, LLC., on December 12, 2006 wherein West Valley, LLC. agreed to construct the road improvements referred to as the West Valley Collector Roads (Blackstone Parkway, Royal Oaks Drive, Pavillion Drive (now called Club View Drive) and Cornerstone Drive), and as shown in the plans titled "Plans for the Improvement and Grading of West Valley Collector Roads" approved by the Director of Transportation (Director) on January 31, 2006, as required under the findings and mitigation measure of the Conditions of Approval, TM# 99-1359 (hereinafter "the Collector Roads") (all incorporated by reference as though fully set forth). Owner is the successor in interest to this Subdivision within West Valley Village. Development of lots within the Subdivision will be partially restricted to coincide with the progress of the construction of the Collector Roads within West Valley Village, as follows:

No occupancy shall be permitted in any structure until sufficient road and signal improvements, as determined by the Director, are constructed to provide safe and unrestricted access to the individual properties. This Subdivision and Subdivision Improvement Agreement will not be deemed complete by the County unless and until the improvements required under the Road Improvement Agreement, inclusive of the Collector Roads, have been substantially completed as determined by the Director, and accepted by the County's Board of Supervisors.

26. Inspection of the work and/or materials or statements by any officer, agent, or employee of County indicating the work or any part thereof complies with the requirements of this Agreement, or acceptance of the whole or any part of said work and/or materials, or payments therefore, or any combination or all of these acts, shall not relieve Owner or Subdivider of their respective obligations to fulfill this Agreement as prescribed; nor shall County be stopped from bringing any action for damages arising from the failure to comply with any terms and conditions hereof.

27. This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

28. Neither this Agreement, nor any part thereof may be assigned by Owner or Subdivider without the express written approval of County.

29. All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested.

Notices to County shall be in duplicate and addressed as follows:

County of El Dorado  
Department Of Transportation  
2850 Fairlane Court  
Placerville, CA 95667  
Attn.: James W. Ware,  
Deputy Director,  
Transportation Planning &  
Land Development

County of El Dorado  
Department Of Transportation  
2850 Fairlane Court  
Placerville, CA 95667  
Attn.: Tim C. Prudhel,  
Contract Services Officer

or to such other location as County directs.

Notices to Owner shall be addressed as follows:

LandSource Holding Company, LLC  
25 Enterprise Drive, #500  
Aliso Viejo, California 92656  
Attn: Larry Gualco

or to such other location as Owner directs.

Notices to Subdivider shall be addressed as follows:

Lennar Communities, Inc.  
1075 Creekside Ridge Drive, Suite 110  
Roseville, California 95678-1936  
Attn.: Larry Gualco, Vice President

or to such other location as Subdivider directs.

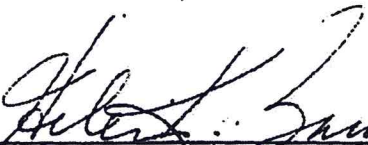
30. The County officer or employee with responsibility for administering this Agreement is James W. Ware, Deputy Director, Transportation Planning and Land Development, Department of Transportation, or successor.

31. Any action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.


32. The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates indicated below, the latest of which shall be deemed to be the effective date of this Agreement.

--COUNTY OF EL DORADO--


By:  Dated: 7-10-07  
Board of Supervisors  
"County" **HELEN K. BAUMANN**  
Chairman

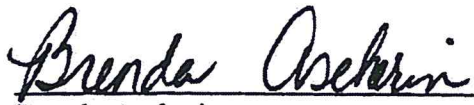
Attest:  
Cindy Keck  
Clerk of the Board of Supervisors

By:  Dated: 7-10-07  
Deputy Clerk

-- LANDSOURCE HOLDING COMPANY, LLC --  
a Delaware Limited Liability Company

By: Lennar Homes of California, Inc.  
a California Corporation,  
its California Manager

By:  Date: 5/23/07  
Larry Gualco  
Vice President  
"Owner"

By:  Date: 5/24/07  
Brenda Ascherin  
Corporate Secretary



--LENNAR COMMUNITIES, INC.--  
a California Corporation

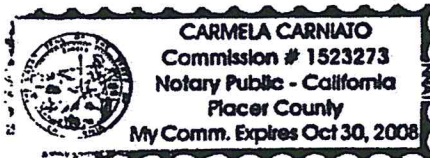
By:  Date: 5/23/07  
Larry Gualco  
Vice President  
"Subdivider"

By:  Date: 5/23/07  
Brenda Ascherin  
Corporate Secretary

STATE OF CALIFORNIA  
*PLACER*  
COUNTY OF EL DORADO

On this 23 day of May, 2007, before me a Notary Public, personally appeared LARRY GUALCO, personally known to me (~~or proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name is subscribed to this instrument, and acknowledged that he (~~she or they~~) executed it.

WITNESS my hand and official seal.

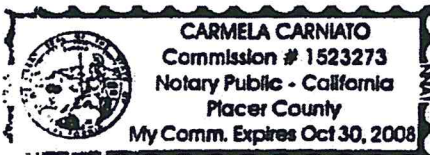


Carmel Carniato  
Notary Public in and for said County and State

STATE OF CALIFORNIA  
*PLACER*  
COUNTY OF EL DORADO

On this 23 day of May, 2007, before me a Notary Public, personally appeared BRENDA ASCHERIN, personally known to me (~~or proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name is subscribed to this instrument, and acknowledged that he (~~she or they~~) executed it.

WITNESS my hand and official seal.



Carmel Carniato  
Notary Public in and for said County and State

**Exhibit A**

**SCHEDULE OF STREET IMPROVEMENTS**

Owner and Subdivider agree to improve all streets and roads for dedication upon the final map of the West Valley Village Unit 4 Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Schedule of Street Improvements:

| <b>Item Description</b>             | <b>Quantity</b> | <b>Unit</b> | <b>Unit Cost</b> | <b>Total Cost</b>   |
|-------------------------------------|-----------------|-------------|------------------|---------------------|
| 3" AC/8" AB                         | 88,252.00       | SF          | \$3.36           | \$296,526.72        |
| Type 1 Rolled Curb & Gutter         | 5,034.00        | LF          | \$18.00          | \$90,612.00         |
| Type 2 Vertical Curb & Gutter       | 398.00          | LF          | \$18.00          | \$7,164.00          |
| Sidewalk Ramps                      | 14.00           | EA          | \$600.00         | \$8,400.00          |
| Street Signs                        | 6.00            | EA          | \$300.00         | \$1,800.00          |
| 4" PCC Sidewalk                     | 5,500.00        | SF          | \$4.80           | \$26,400.00         |
| Stop Signs w/ Stop Bars             | 5.00            | EA          | \$600.00         | \$3,000.00          |
| <b>Subtotal Street Improvements</b> |                 |             |                  | <b>\$433,902.72</b> |
| Project Administration              |                 | 2%          |                  | \$8,678.05          |
| Construction Staking                |                 | 15%         |                  | \$65,085.41         |
| Contingency                         |                 | 15%         |                  | \$65,085.41         |
| Erosion Control Inspection          |                 | 4%          |                  | \$17,356.11         |
| <b>Total Street Improvements</b>    |                 |             |                  | <b>\$590,107.70</b> |

**Exhibit B**

**SCHEDULE OF STORM DRAINAGE IMPROVEMENTS**

Owner and Subdivider agree to install the storm drainage improvements in the West Valley Village Unit 4 Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Schedule of Storm Drainage Improvements:

| <b>Item Description</b>                     | <b>Quantity</b> | <b>Unit</b> | <b>Unit Cost</b> | <b>Total Cost</b>   |
|---|-----------------|-------------|------------------|---------------------|
| 12" Storm Drain Pipe – HDPE                 | 252.00          | LF          | \$42.00          | \$10,584.00         |
| 18" Storm Drain Pipe – HDPE                 | 1,219.86        | LF          | \$54.00          | \$65,872.44         |
| 24" Storm Drain Pipe – HDPE                 | 265.77          | LF          | \$66.00          | \$17,540.82         |
| 30" Storm Drain Pipe – HDPE                 | 173.49          | LF          | \$78.00          | \$13,532.22         |
| 36" Storm Drain Pipe – HDPE                 | 696.23          | LF          | \$90.00          | \$62,660.70         |
| Std. Type "B" Drain Inlet                   | 9.00            | EA          | \$3,600.00       | \$32,400.00         |
| Saddle Type "B" Drain Inlet                 | 1.00            | EA          | \$3,600.00       | \$3,600.00          |
| SR Model #6Y Drain Inlet                    | 7.00            | EA          | \$6,000.00       | \$42,000.00         |
| 48" Storm Drain Manhole                     | 8.00            | EA          | \$3,240.00       | \$25,920.00         |
| 60" Storm Drain Manhole                     | 1.00            | EA          | \$4,200.00       | \$4,200.00          |
| TV Inspection                               | 2,607.35        | LF          | \$2.00           | \$5,214.70          |
| <b>Subtotal Storm Drainage Improvements</b> |                 |             |                  | <b>\$283,524.88</b> |
| Project Administration                      |                 | 2%          |                  | \$5,670.50          |
| Construction Staking                        |                 | 15%         |                  | \$42,528.73         |
| Contingency                                 |                 | 15%         |                  | \$42,528.73         |
| Erosion Control Inspection                  |                 | 4%          |                  | \$11,341.00         |
| <b>Total Storm Drainage Improvements</b>    |                 |             |                  | <b>\$385,593.84</b> |

**Exhibit C**

**SCHEDULE OF SANITARY SEWER IMPROVEMENTS**

Owner and Subdivider agree to install the sanitary sewer collection and disposal system in the West Valley Village Unit 4 Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Schedule of Sanitary Sewer Improvements:

| <b>Item Description</b>                     | <b>Quantity</b> | <b>Unit</b> | <b>Unit Cost</b> | <b>Total Cost</b>   |
|---|-----------------|-------------|------------------|---------------------|
| 6" Sewer Line (SDR-35)                      | 1,806.74        | LF          | \$54.00          | \$97,563.96         |
| 6" Sewer Line (SDR-26)                      | 948.70          | LF          | \$66.00          | \$62,614.20         |
| Std. 48" Manhole                            | 12.00           | EA          | \$3,360.00       | \$40,320.00         |
| Std. 60" Manhole                            | 2.00            | EA          | \$4,200.00       | \$8,400.00          |
| 4" Sewer Services                           | 54.00           | EA          | \$1,200.00       | \$64,800.00         |
| Sewer Cleanout                              | 3.00            | EA          | \$900.00         | \$2,700.00          |
| TV Inspection                               | 3,835.44        | LF          | \$2.00           | \$7,670.88          |
| <b>Subtotal Sanitary Sewer Improvements</b> |                 |             |                  | <b>\$284,069.04</b> |
| Project Administration                      |                 | 2%          |                  | \$5,681.38          |
| Construction Staking                        |                 | 15%         |                  | \$42,610.36         |
| Contingency                                 |                 | 15%         |                  | \$42,610.36         |
| Erosion Control Inspection                  |                 | 4%          |                  | \$11,362.76         |
| <b>Total Sanitary Sewer Improvements</b>    |                 |             |                  | <b>\$386,333.89</b> |

**Exhibit D**

**SCHEDULE OF WATER IMPROVEMENTS**

Owner and Subdivider agree to install the water supply and distribution system in the West Valley Village Unit 4 Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Schedule of Water Improvements:

| <b>Item Description</b>            | <b>Quantity</b> | <b>Unit</b> | <b>Unit Cost</b> | <b>Total Cost</b>   |
|------------------------------------|-----------------|-------------|------------------|---------------------|
| 8" PVC C-900 (CL 150)              | 2,963.22        | LF          | \$60.00          | \$177,793.20        |
| 8" Gate Valve                      | 16.00           | EA          | \$1,200.00       | \$19,200.00         |
| 1" ARV                             | 3.00            | EA          | \$3,000.00       | \$9,000.00          |
| 2" BOV                             | 6.00            | EA          | \$3,360.00       | \$20,160.00         |
| Fire Hydrants                      | 5.00            | EA          | \$3,120.00       | \$15,600.00         |
| Water Services                     | 54.00           | EA          | \$1,440.00       | \$77,760.00         |
| <b>Subtotal Water Improvements</b> |                 |             |                  | <b>\$319,513.20</b> |
| Project Administration             |                 | 2%          |                  | \$6,390.26          |
| Construction Staking               |                 | 15%         |                  | \$47,926.98         |
| Contingency                        |                 | 15%         |                  | \$47,926.98         |
| Erosion Control Inspection         |                 | 4%          |                  | \$12,780.53         |
| <b>Total Water Improvements</b>    |                 |             |                  | <b>\$434,537.95</b> |

**Exhibit E**

**SCHEDULE OF RECYCLED WATER IMPROVEMENTS**

Owner and Subdivider agree to install the recycled water and distribution system in the West Valley Village Unit 4 Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Schedule of Recycled Water Improvements:

| <b>Item Description</b>                     | <b>Quantity</b> | <b>Unit</b> | <b>Unit Cost</b> | <b>Total Cost</b>   |
|---|-----------------|-------------|------------------|---------------------|
| 6" Purple Plus C-900 (CL 150)               | 2,742.88        | LF          | \$42.00          | \$115,200.96        |
| 6" Gate Valve                               | 12.00           | EA          | \$1,020.00       | \$12,240.00         |
| 1" ARV                                      | 3.00            | EA          | \$3,000.00       | \$9,000.00          |
| 2" BOV                                      | 5.00            | EA          | \$3,360.00       | \$16,800.00         |
| Recycled Water Services                     | 54.00           | EA          | \$1,440.00       | \$77,760.00         |
| <b>Subtotal Recycled Water Improvements</b> |                 |             |                  | <b>\$231,000.96</b> |
| Project Administration                      |                 | 2%          |                  | \$4,620.02          |
| Construction Staking                        |                 | 15%         |                  | \$34,650.14         |
| Contingency                                 |                 | 15%         |                  | \$34,650.14         |
| Erosion Control Inspection                  |                 | 4%          |                  | \$9,240.04          |
| <b>Total Recycled Water Improvements</b>    |                 |             |                  | <b>\$314,161.31</b> |

**Exhibit F**

**SCHEDULE OF UNDERGROUND POWER AND TELEPHONE IMPROVEMENTS**

Owner and Subdivider agree to install the utility improvements in the West Valley Village Unit 4 Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following schedule of Schedule of Underground Power and Telephone Improvements:

| <b>Item Description</b>   | <b>Quantity</b> | <b>Unit</b> | <b>Unit Cost</b> | <b>Total Cost</b>   |
|---|-----------------|-------------|------------------|---------------------|
| Mainline Trenching  | 54              | Lot         | \$1,600.00       | \$86,400.00         |
| Conduit and Boxes   | 54              | Lot         | \$1,200.00       | \$64,800.00         |
| Wiring and Transformers   | 54              | Lot         | \$1,200.00       | \$64,800.00         |
| Utility Services  | 54              | Lot         | \$8,000.00       | \$432,000.00        |
| <b>Subtotal Underground Power and Telephone Improvements Cost</b> |                 |             |                  | <b>\$648,000.00</b> |
| Project Administration  |                 | 2%          |                  | \$12,960.00         |
| Construction Staking  |                 | 15%         |                  | \$97,200.00         |
| Contingency   |                 | 15%         |                  | \$97,200.00         |
| Erosion Control Inspection  |                 | 4%          |                  | \$25,920.00         |
| <b>Total Underground Power and Telephone Improvements Cost</b>    |                 |             |                  | <b>\$881,280.00</b> |



**CERTIFICATE OF PARTIAL COMPLETION OF SUBDIVISION IMPROVEMENTS**

I hereby certify that the following improvements in the West Valley Village Unit 4, TM 99-1359R, Subdivision have been completed, to wit:

|  | <u>Total Amount</u>   | <u>Percent Complete</u> | <u>Remaining Amount</u> |
|--|-----------------------|-------------------------|-------------------------|
| Street Improvements                      | \$590,107.70          | 0%                      | \$590,107.70            |
| Storm Drainage Improvements              | \$385,593.84          | 80%                     | \$77,118.77             |
| Sanitary Sewer Improvements              | \$386,333.89          | 80%                     | \$77,266.78             |
| Water Improvements                       | \$434,537.95          | 0%                      | \$434,537.95            |
| Recycled Water Improvements              | \$314,161.31          | 0%                      | \$314,161.31            |
| Underground Power/Telephone Improvements | \$881,280.00          | 0%                      | \$881,280.00            |
| <b>Totals</b>                            | <b>\$2,992,014.69</b> |                         | <b>\$2,374,472.51</b>   |

I estimate the total cost of completing the remainder of the improvements, agreed to be performed by the Owner to be **Two Million Three Hundred Seventy-Four Thousand Four Hundred Seventy-Two Dollars and 51/100 (\$2,374,472.51)**.

The Performance Bond is for the amount of **Two Million Three Hundred Seventy-Four Thousand Four Hundred Seventy-Two Dollars and 51/100 (\$2,374,472.51)**.

The Laborers and Materialmens Bond is for the amount of **One Million Four Hundred Ninety-Six Thousand Seven Dollars and 35/100 (\$1,496,007.35)**.

DATED: 05/29/07



*[Signature]*

Donald T. McCormick, RCE 42558  
R.E.Y. Engineers, Inc.  
105 Lake Forest Way, Suite C  
Folsom, CA 95630

**ACCEPTED BY THE COUNTY OF EL DORADO**

DATED: 5/30/07

*[Signature]*

Richard W. Shepard, P.E.  
Director of Transportation

Replacing Federal Insurance Bond #82044783

Executed in Duplicate

Bond No. 6547251  
Premium \$8,976.00 Per Annum

**PERFORMANCE BOND AGREEMENT FORM**

Whereas, the Board of Supervisors of the County of El Dorado, a political subdivision of the State of California, and **LENNAR COMMUNITIES, INC.**, a California corporation (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement, dated July 10, 2007, and identified as project West Valley Village, Unit 4 (TM 99-1359R) is hereby referred to and made part hereof; and

Whereas, Said Principal is required under the terms of said agreement to furnish a bond for the faithful performance of said agreement.

Now, therefore, we, the Principal and Safeco Insurance Company of America, (hereinafter designated as "Surety"), are held and firmly bound unto the County of El Dorado, as Obligee, in the penal sum of **Seven Hundred, Twenty-Two Thousand, Five Hundred and Thirty Dollars and 33/100 (\$722,530.33)** in lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bound Principal his or its heirs, executors and administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the County of El Dorado, its officers, agents

*Performance Bond (continued)*

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and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

This guarantee shall insure the County of El Dorado during the work required by any Contract and for a period of one (1) year from the date of acceptance of the work against faulty or improper materials or workmanship that may be discovered during that time.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the County of El Dorado in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work performed thereunder or the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

Surety is executing this instrument on July 22, 2009, however, Surety expressly acknowledges and agrees that the effective date of this instrument shall be June 12, 2007. Surety acknowledges and agrees that no defense or waiver shall be asserted against Principal or Obligee based upon the fact that the effective date of this instrument precedes the execution date hereof. Further, Surety acknowledges and agrees that it is expressly waiving any statutory defense it may have otherwise claimed as a result of this instrument serving as a new bond and acting as a replacement for a previously furnished bond, including, but not limited to, defenses arising under California Code of Civil Procedure Section 996.240. Surety acknowledges that performance of the agreement relating to West Valley Village Unit 4 (TM 99-1359R) has already commenced and Surety agrees that: (1) it is waiving any defense or claim that its liability for a demand made under this instrument is limited by the existence of Federal Insurance Company (Chubb) Bond # 82044783 and (2) it is assuming all liabilities and obligations under the Subdivision Improvement

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Placer } ss.

On July 20, 2009 before me, Monique Reynolds, Notary Public, personally appeared Larry Gualco

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 signatures(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.

Monique Reynolds Signature My Commission Expires Nov. 24, 2012



OPTIONAL INFORMATION

Date of Document

Type or Title of Document

Number of Pages in Document

Document in a Foreign Language

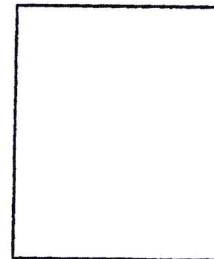
Type of Satisfactory Evidence:

- Personally Known with Paper Identification
Paper Identification
Credible Witness(es)

Capacity of Signer:

- Trustee
Power of Attorney
CEO / CFO / COO
President / Vice-President / Secretary / Treasurer
Other:

Thumbprint of Signer



Check here if no thumbprint or fingerprint is available.

Other Information:

Performance Bond (continued)

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Agreement relating to West Valley Village Unit 4 (TM 99-1359R) that arise or could have arisen under the Federal Insurance Company (Chubb) Bond # 82044783.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named on July 22, 2009.

**"Surety"**

SAFECO INSURANCE COMPANY OF AMERICA

By: 

Lisa K. Crail, Attorney-in-Fact  
Print Name

**"Principal"**

LENNAR COMMUNITIES, INC.  
a California Corporation

By: 

Larry Gualco, Vice President  
1075 Creekside Ridge Drive, Suite 110  
Roseville, CA 95678

**NOTARIES ATTACHED**

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Orange

On 7/22/2009  
Date

before me,

K. Luu, Notary Public  
Here Insert Name and Title of the Officer

personally appeared

Lisa K Crail  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person 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.



Place Notary Seal Above

Signature

Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Lisa K Crail

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_



POWER OF ATTORNEY

Safeco Insurance Company of America
General Insurance Company of America
1001 4th Avenue
Suite 1700
Seattle, WA 98154

No. 9675

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

\*\*RHONDA C. ABEL; JERI APODACA; LISA K. CRAIL; LINDA ENRIGHT; JANE KEPNER; NANETTE MARIELLA-MYERS; MIKE PARIZINO; RACHELLE RHEAULT; JAMES A. SCHALLER; Irvine, California\*\*\*\*\*

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 21st day of March 2009

Dexter R. Legg

TAMikolajewski

Dexter R. Legg, Secretary

Timothy A. Mikolajewski, Vice President

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business... On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
(ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
(iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Dexter R. Legg, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 22nd day of July 2009



Dexter R. Legg

Dexter R. Legg, Secretary

Replacing Federal Insurance Bond #82044783

Executed in Duplicate

Bond No. 6547251  
Premium Included in Performance Bond

**LABORERS AND MATERIALMENS BOND FORM**

Whereas, the Board of Supervisors of the County of El Dorado, a political subdivision of the State of California, and **LENNAR COMMUNITIES, INC.**, a California corporation (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement, dated July 10, 2007, and identified as project **West Valley Village, Unit 4 (TM 99-1359R)** is hereby referred to and made part hereof; and

Whereas, under the terms of said agreement, Principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the County of El Dorado to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

Now, therefore, we, the Principal and Safeco Insurance Company of America (hereinafter designated "Surety"), are held firmly bound unto the County of El Dorado and all contractors, subcontractors, laborers, materialmen and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of **One Million, Four Hundred and Ninety-six Thousand, Seven Dollars and 35/100 (\$1,496,007.35)**, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the County of El Dorado in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.



Laborers and Materialmens Bond (continued)

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying the same shall in any manner effect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration or addition.


Surety is executing this instrument on July 22, 2009, however, Surety expressly acknowledges and agrees that the effective date of this instrument shall be June 12, 2007. Surety acknowledges and agrees that no defense or waiver shall be asserted against Principal or Obligee based upon the fact that the effective date of this instrument precedes the execution date hereof. Further, Surety acknowledges and agrees that it is expressly waiving any statutory defense it may have otherwise claimed as a result of this instrument serving as a new bond and acting as a replacement for a previously furnished bond, including, but not limited to, defenses arising under California Code of Civil Procedure Section 996.240. Surety acknowledges that performance of the agreement relating to West Valley Village Unit 4 (TM 99-1359R) has already commenced and Surety agrees that: (1) it is waiving any defense or claim that its liability for a demand made under this instrument is limited by the existence of Federal Insurance Company (Chubb) Bond # 82044783 and (2) it is assuming all liabilities and obligations under the Subdivision Improvement Agreement relating to West Valley Village Unit 4 (TM 99-1359R) that arise or could have arisen under the Federal Insurance Company (Chubb) Bond # 82044783.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named, on July 22, 2009.

**"Surety"**

SAFECO INSURANCE COMPANY OF AMERICA

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



Lisa K. Crail, Attorney-in-Fact  
Print Name

**"Principal"**

LENNAR COMMUNITIES, INC.  
a California Corporation

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



Larry Gualco, Vice President  
1075 Creekside Ridge Drive, Suite 110  
Roseville, CA 95678

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Placer } ss.

On July 20, 2009 before me, Monique Reynolds, Notary Public,

personally appeared Larry Gualco

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.



Monique Reynolds  
Signature  
My Commission Expires Nov. 24, 2012

**OPTIONAL INFORMATION**

Date of Document

Type or Title of Document

Number of Pages in Document

Document in a Foreign Language

Type of Satisfactory Evidence:

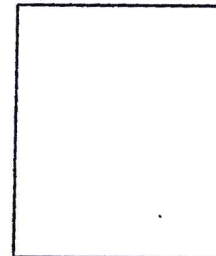
- Personally Known with Paper Identification
- Paper Identification
- Credible Witness(es)

Capacity of Signer:

- Trustee
- Power of Attorney
- CEO / CFO / COO
- President / Vice-President / Secretary / Treasurer
- Other: \_\_\_\_\_

Other Information: \_\_\_\_\_

Thumbprint of Signer



Check here if no thumbprint or fingerprint is available.

West Valley 4  
Le m bond

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Orange

On 7/22/2009  
Date

before me,

K. Luu, Notary Public  
Here Insert Name and Title of the Officer

personally appeared

Lisa K Crail  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person 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.



Place Notary Seal Above

Signature

Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Lisa K Crail

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_



POWER OF ATTORNEY

Safeco Insurance Company of America
General Insurance Company of America
1001 4th Avenue
Suite 1700
Seattle, WA 98154

No. 9675

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

\*\*RHONDA C. ABEL; JERI APODACA; LISA K. CRAIL; LINDA ENRIGHT; JANE KEPNER; NANETTE MARIELLA-MYERS; MIKE PARIZINO; RACHELLE RHEAULT; JAMES A. SCHALLER; Irvine, California\*\*\*\*\*

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 21st day of March 2009

Dexter R. Legg

Dexter R. Legg, Secretary

TAMIKOLAJEWSKI

Timothy A. Mikolajewski, Vice President

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business...

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
(ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
(iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Dexter R. Legg, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 22nd day of July 2009



Dexter R. Legg

Dexter R. Legg, Secretary

Executed in Duplicate

Bond No. 82044783  
Premium: \$ \$35,617.00/2yrs.

**PERFORMANCE BOND AGREEMENT FORM**

Whereas, the Board of Supervisors of the County of El Dorado, a political subdivision of the State of California, and **LENNAR COMMUNITIES, INC., a California corporation** (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement, dated July 10<sup>th</sup>, 2007, and identified as project West Valley Village Unit 4 (TM 99-1359R) is hereby referred to and made part hereof; and

Whereas, Said Principal is required under the terms of said agreement to furnish a bond for the faithful performance of said agreement.

Now, therefore, we, the Principal and Federal Insurance Company, (hereinafter designated as "Surety"), are held and firmly bound unto the County of El Dorado, as Obligee, in the penal sum of **Two Million Three Hundred Seventy-Four Thousand Four Hundred Seventy-Two Dollars and Fifty-One Cents (\$2,374,472.51)** lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bound Principal his or its heirs, executors and administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the County of El Dorado, its officers, agents

*Reduced Performance Bond No. 82044783 per Board action  
Released per BOARD ACTION 11-20-09 9/23/08 #14*

**Performance Bond (continued)**

and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

This guarantee shall insure the County of El Dorado during the work required by any Contract and for a period of one (1) year from the date of acceptance of the work against faulty or improper materials or workmanship that may be discovered during that time.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the County of El Dorado in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work performed thereunder or the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named on June 13th, 2007.

**"Surety"**

Federal Insurance Company

By Rosa E. Rivas

Rosa E. Rivas, Attorney-In-Fact  
Print Name

**"Principal"**

**LENNAR COMMUNITIES, INC.**  
a California Corporation

By Larry Gualco

Larry Gualco, Vice President  
1075 Creekside Ridge Drive, Suite 110  
Roseville, California 95678

**NOTARIES ATTACHED**

**PRINCIPAL**

STATE OF CALIFORNIA  
*PLACER*  
COUNTY OF ~~EL DORADO~~

On this 12 day of June, 2007, before me a Notary Public, personally appeared LARRY DUALCO, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name is subscribed to this instrument, and acknowledged that he (she or they) executed it.

WITNESS my hand and official seal.



Carmela Carniato  
Notary Public in and for said County and State

**SURETY**

STATE OF CALIFORNIA  
COUNTY OF EL DORADO

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me a Notary Public, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name is subscribed to this instrument, and acknowledged that he (she or they) executed it.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public in and for said County and State

# ACKNOWLEDGEMENT

State of California  
County of Orange

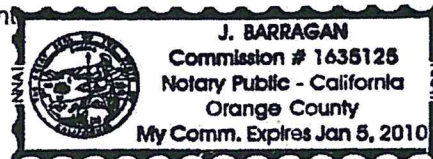
On JUN 13 2007 before me, J. Barragan, Notary Public  
(here insert name and title of the officer)

personally appeared Rosa E. Rivas

personally known to me (or 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 acknowledge 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.

WITNESS my hand and official seal.

Signature \_\_\_\_\_  
J. Barragan



(Seal)

## OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

### CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
- CORPORATE OFFICER

- TITLE(S) \_\_\_\_\_
- PARTNER(S)  LIMITED
  - ATTORNEY-IN-FACT  GENERAL
  - TRUSTEE(S)
  - GUARDIAN/CONSERVATOR
  - OTHER: \_\_\_\_\_

### SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)  
\_\_\_\_\_  
\_\_\_\_\_

### DESCRIPTION OF ATTACHED DOCUMENT

\_\_\_\_\_  
TITLE OR TYPE OF DOCUMENT

\_\_\_\_\_  
NUMBER OF PAGES

\_\_\_\_\_  
DATE OF DOCUMENT

\_\_\_\_\_  
SIGNER(S) OTHER THAN NAMED ABOVE





**CHUBB  
Surety**

**POWER  
OF  
ATTORNEY**

**Federal Insurance Company  
Vigilant Insurance Company  
Pacific Indemnity Company**

**Attn: Surety Department  
15 Mountain View Road  
Warren, NJ 07059**

Know All by These Presents, That **FEDERAL INSURANCE COMPANY**, an Indiana corporation, **VIGILANT INSURANCE COMPANY**, a New York corporation, and **PACIFIC INDEMNITY COMPANY**, a Wisconsin corporation, do each hereby constitute and appoint Rhonda C. Abel, Jeri Apodaca, Jane Kepner, Nanette Myers, Mike Parizino, Grace Reza, Rachelle Rheault, Rosa E. Rivas and James A. Schaller of Irvine, California

each as their true and lawful Attorney- in- Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds (other than bail bonds) and undertakings given or executed in the course of its business (but not to include any instruments amending or altering the same, nor consents to the modification or alteration of any instrument referred to in said bonds or obligations).

In Witness Whereof, said **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** have each executed and attested these presents and affixed their corporate seals on this 28th day of September, 2005

Kenneth C. Wendel, Assistant Secretary

John P. Smith, Vice President

STATE OF NEW JERSEY ss.

County of Somerset

On this 28th day of September, 2005 before me, a Notary Public of New Jersey, personally came Kenneth C. Wendel, to me known to be Assistant Secretary of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY**, the companies which executed the foregoing Power of Attorney, and the said Kenneth C. Wendel, being by me duly sworn, did depose and say that he is Assistant Secretary of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By- Laws of said Companies; and that he signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that he is acquainted with John P. Smith, and knows him to be Vice President of said Companies; and that the signature of John P. Smith, subscribed to said Power of Attorney is in the genuine handwriting of John P. Smith, and was thereto subscribed by authority of said By- Laws and in deponent's presence.

Notarial Seal



**KATHERINE KALBACHER  
NOTARY PUBLIC OF NEW JERSEY  
No. 2316685  
Commission Expires July 8, 2009**

Notary Public

**CERTIFICATION**

Extract from the By- Laws of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY**:

"All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Assistant Secretaries or Attorneys- in- Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

I, Kenneth C. Wendel, Assistant Secretary of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** (the "Companies") do hereby certify that

- (i) the foregoing extract of the By- Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in Puerto Rico and the U.S. Virgin Islands, and Federal is licensed in American Samoa, Guam, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this 13th day of June 2007



Kenneth C. Wendel, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903- 3493  
Fax (908) 903- 3656 e-mail: surety@chubb.com

Executed in Duplicate

*2/26/09*

Bond No. 82044783

Premium included in Performan  
Bond

**LABORERS AND MATERIALMENS BOND FORM**

Whereas, the Board of Supervisors of the County of El Dorado, a political subdivision of the State of California, and **LENNAR COMMUNITIES, INC.**, a California corporation (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement, dated July 10th, 2007, and identified as project **West Valley Village Unit 4 (TM 99-1359R)** is hereby referred to and made part hereof; and

Whereas, under the terms of said agreement, Principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the County of El Dorado to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

Now, therefore, we, the Principal and Federal Insurance Company (hereinafter designated "Surety"), are held firmly bound unto the County of El Dorado and all contractors, subcontractors, laborers, materialmen and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of **One Million Four Hundred Ninety-Six Thousand Seven Dollars and Thirty-Five Cents (\$1,496,007.35)**, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the County of El Dorado in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

*Released Per Board Action 10-20-09*

Laborers and Materialmens Bond (continued)

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying the same shall in any manner effect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration or addition.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named, on June 13th, 20 07.

**"Surety"**

Federal Insurance Company

By

Rosa E. Rivas

Rosa E. Rivas, Attorney-In-Fact  
Print Name

**"Principal"**

**LENNAR COMMUNITIES, INC.**  
**a California Corporation**

By

[Signature]

Larry Gualco, Vice President  
1075 Creekside Ridge Drive, Suite 110  
Roseville, California 95678

**NOTARIES ATTACHED**

**PRINCIPAL**

**STATE OF CALIFORNIA**

**COUNTY OF** Placer

On this 12 day of June, 2007, before me a Notary Public, personally appeared Larry Surted, personally known to me (or ~~proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name is subscribed to this instrument, and acknowledged that he ~~(she or they)~~ executed it.

WITNESS my hand and official seal.



Carmela Carniato  
Notary Public in and for said County and State

**SURETY**

**STATE OF CALIFORNIA**

**COUNTY OF** \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me a Notary Public, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name is subscribed to this instrument, and acknowledged that he (she or they) executed it.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public in and for said County and State

**ACKNOWLEDGEMENT**

State of California  
County of Orange

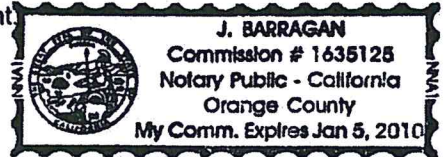
On JUN 13 2007 before me, J. Barragan, Notary Public  
(here insert name and title of the officer)

personally appeared Rosa E. Rivas

personally known to me (or 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 acknowledge 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.

WITNESS my hand and official seal.

Signature   
J. Barragan



(Seal)

**OPTIONAL**

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

**CAPACITY CLAIMED BY SIGNER**

**DESCRIPTION OF ATTACHED DOCUMENT**

- INDIVIDUAL
- CORPORATE OFFICER

- TITLE(S) \_\_\_\_\_
- PARTNER(S)  LIMITED  GENERAL
  - ATTORNEY-IN-FACT
  - TRUSTEE(S)
  - GUARDIAN/CONSERVATOR
  - OTHER: \_\_\_\_\_

TITLE OR TYPE OF DOCUMENT \_\_\_\_\_

NUMBER OF PAGES \_\_\_\_\_

**SIGNER IS REPRESENTING:**

NAME OF PERSON(S) OR ENTITY(IES)

DATE OF DOCUMENT \_\_\_\_\_

SIGNER(S) OTHER THAN NAMED ABOVE \_\_\_\_\_



**CHUBB  
Surety**

**POWER  
OF  
ATTORNEY**

**Federal Insurance Company  
Vigilant Insurance Company  
Pacific Indemnity Company**

**Attn: Surety Department  
15 Mountain View Road  
Warren, NJ 07059**

Know All by These Presents, That **FEDERAL INSURANCE COMPANY**, an Indiana corporation, **VIGILANT INSURANCE COMPANY**, a New York corporation, and **PACIFIC INDEMNITY COMPANY**, a Wisconsin corporation, do each hereby constitute and appoint Rhonda C. Abel, Jeri Apodaca, Jane Kepner, Nanette Myers, Mike Parizino, Grace Reza, Rachelle Rheault, Rosa E. Rivas and James A. Schaller of Irvine, California

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds (other than bail bonds) and undertakings given or executed in the course of its business (but not to include any instruments amending or altering the same, nor consents to the modification or alteration of any instrument referred to in said bonds or obligations).

In Witness Whereof, said **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** have each executed and attested these presents and affixed their corporate seals on this 28th day of September, 2005

Kenneth C. Wendel, Assistant Secretary

John P. Smith, Vice President

STATE OF NEW JERSEY ss.

County of Somerset

On this 28th day of September, 2005 before me, a Notary Public of New Jersey, personally came Kenneth C. Wendel, to me known to be Assistant Secretary of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY**, the companies which executed the foregoing Power of Attorney, and the said Kenneth C. Wendel, being by me duly sworn, did depose and say that he is Assistant Secretary of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By-Laws of said Companies; and that he signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that he is acquainted with John P. Smith, and knows him to be Vice President of said Companies; and that the signature of John P. Smith, subscribed to said Power of Attorney is in the genuine handwriting of John P. Smith, and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Notarial Seal



**KATHERINE KALBACHER  
NOTARY PUBLIC OF NEW JERSEY  
No. 2316685  
Commission Expires July 8, 2009**

Notary Public

**CERTIFICATION**

Extract from the By-Laws of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY**:

"All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

I, Kenneth C. Wendel, Assistant Secretary of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** (the "Companies") do hereby certify that

- (i) the foregoing extract of the By-Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in Puerto Rico and the U.S. Virgin Islands, and Federal is licensed in American Samoa, Guam, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this 13th day of June 2007



Kenneth C. Wendel, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903-3493  
Fax (908) 903-3658 e-mail: surety@chubb.com

# County of El Dorado

## BOARD OF SUPERVISORS

RUSTY DUPRAY.....DISTRICT I  
HELEN K. BAUMANN.....DISTRICT II  
JAMES R. SWEENEY.....DISTRICT III  
RON BRIGGS.....DISTRICT IV  
NORMA SANTIAGO.....DISTRICT V  
  
CINDY KECK.....CLERK OF THE BOARD

330 FAIR LANE PLACERVILLE, CA 95667  
TELEPHONE (530) 621-5390  
FAX NO. (530) 622-3645



September 30, 2008

LandSource Holding Company, LLC  
Lennar Communities, Inc.  
1075 Creekside Ridge Drive, Suite 110  
Roseville, CA 95678

Re: West Valley Village, Unit 4

Gentlemen:

At a regular meeting of the El Dorado County Board of Supervisors held Tuesday, September 23, 2008 the Board reduced Performance Bond 82044783 from \$2,374,472.51 to \$722,530.33.

Please find enclosed a copy of the above mentioned reduced bond for your records.

Very truly yours,

Rusty Dupray, Chairman  
Board of Supervisors

Cindy Keck, Clerk of the Board  
Of Supervisors

By *Karen Wilson*  
Deputy Clerk

/kt

Enclosure

Cc: R.E.Y Engineering, Inc.

✓ Karen Wilson, DOT

2008 SEP 30 PM 3:00

RECEIVED  
DOT

Executed in Duplicate

Bond No. 82044783  
Premium: \$ \$35,617.00/2yrs.

**PERFORMANCE BOND AGREEMENT FORM**

Whereas, the Board of Supervisors of the County of El Dorado, a political subdivision of the State of California, and **LENNAR COMMUNITIES, INC.**, a California corporation (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement, dated July 10<sup>th</sup>, 2007, and identified as project West Valley Village Unit 4 (TM 99-1359R) is hereby referred to and made part hereof; and

Whereas, Said Principal is required under the terms of said agreement to furnish a bond for the faithful performance of said agreement.

Now, therefore, we, the Principal and Federal Insurance Company, (hereinafter designated as "Surety"), are held and firmly bound unto the County of El Dorado, as Obligee, in the penal sum of **Two Million Three Hundred Seventy-Four Thousand Four Hundred Seventy-Two Dollars and Fifty-One Cents (\$2,374,472.51)** lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bound Principal his or its heirs, executors and administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the County of El Dorado, its officers, agents



Performance Bond (continued)

and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

This guarantee shall insure the County of El Dorado during the work required by any Contract and for a period of one (1) year from the date of acceptance of the work against faulty or improper materials or workmanship that may be discovered during that time.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the County of El Dorado in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work performed thereunder or the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named on June 13th, 20 07.

**"Surety"**

Federal Insurance Company

By Rosa E. Rivas

Rosa E. Rivas, Attorney-In-Fact  
Print Name

**"Principal"**

**LENNAR COMMUNITIES, INC.**  
a California Corporation

By Larry Gualco

Larry Gualco, Vice President  
1075 Creekside Ridge Drive, Suite 110  
Roseville, California 95678

**NOTARIES ATTACHED**

**PRINCIPAL**

STATE OF CALIFORNIA  
*Placer*  
COUNTY OF ~~EL DORADO~~

On this 12 day of June, 2007, before me a Notary Public, personally appeared LARRY DUALCO, personally known to me (or ~~proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name is subscribed to this instrument, and acknowledged that he (~~she or they~~) executed it.

WITNESS my hand and official seal.



Carmela Carniato  
Notary Public in and for said County and State

**SURETY**

STATE OF CALIFORNIA  
COUNTY OF EL DORADO

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me a Notary Public, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name is subscribed to this instrument, and acknowledged that he (she or they) executed it.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public in and for said County and State

# ACKNOWLEDGEMENT

State of California  
County of Orange

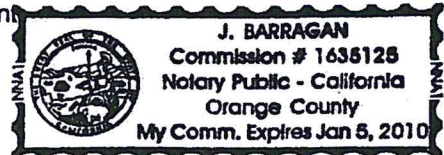
On JUN 13 2007 before me, J. Barragan, Notary Public  
(here insert name and title of the officer)

personally appeared Rosa E. Rivas

personally known to me (or 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 acknowledge 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.

WITNESS my hand and official seal.

Signature J. Barragan



(Seal)

## OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

### CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
- CORPORATE OFFICER

- TITLE(S) \_\_\_\_\_
- PARTNER(S)       LIMITED GENERAL
  - ATTORNEY-IN-FACT
  - TRUSTEE(S)
  - GUARDIAN/CONSERVATOR
  - OTHER: \_\_\_\_\_

### DESCRIPTION OF ATTACHED DOCUMENT

TITLE OR TYPE OF DOCUMENT \_\_\_\_\_

NUMBER OF PAGES \_\_\_\_\_

DATE OF DOCUMENT \_\_\_\_\_

### SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

SIGNER(S) OTHER THAN NAMED ABOVE \_\_\_\_\_



**CHUBB  
Surety**

**POWER  
OF  
ATTORNEY**

**Federal Insurance Company  
Vigilant Insurance Company  
Pacific Indemnity Company**

**Attn: Surety Department  
15 Mountain View Road  
Warren, NJ 07059**

Know All by These Presents, That FEDERAL INSURANCE COMPANY, an Indiana corporation, VIGILANT INSURANCE COMPANY, a New York corporation, and PACIFIC INDEMNITY COMPANY, a Wisconsin corporation, do each hereby constitute and appoint Rhonda C. Abel, Jeri Apodaca, Jane Kepner, Nanette Myers, Mike Parizino, Grace Reza, Rachele Rheault, Rosa E. Rivas and James A. Schaller of Irvine, California

each as their true and lawful Attorney- In- Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds (other than bail bonds) and undertakings given or executed in the course of its business (but not to include any instruments amending or altering the same, nor consents to the modification or alteration of any instrument referred to in said bonds or obligations).

In Witness Whereof, said FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY have each executed and attested these presents and affixed their corporate seals on this 28th day of September, 2005

Kenneth C. Wendel, Assistant Secretary

John P. Smith, Vice President

STATE OF NEW JERSEY ss.

County of Somerset

On this 28th day of September, 2005 before me, a Notary Public of New Jersey, personally came Kenneth C. Wendel, to me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Kenneth C. Wendel, being by me duly sworn, did depose and say that he is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By- Laws of said Companies; and that he signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that he is acquainted with John P. Smith, and knows him to be Vice President of said Companies; and that the signature of John P. Smith, subscribed to said Power of Attorney is in the genuine handwriting of John P. Smith, and was thereto subscribed by authority of said By- Laws and in deponent's presence.

Notarial  
Seal



**KATHERINE KALBACHER  
NOTARY PUBLIC OF NEW JERSEY  
No. 2316685  
Commission Expires July 8, 2009**

Notary Public

**CERTIFICATION**

Extract from the By- Laws of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY:

"All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Assistant Secretaries or Attorneys- In- Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

I, Kenneth C. Wendel, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

- (i) the foregoing extract of the By- Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in Puerto Rico and the U.S. Virgin Islands, and Federal is licensed in American Samoa, Guam, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this 13th day of June 2007



Kenneth C. Wendel, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903- 3493  
Fax (908) 903- 3656 e-mail: surety@chubb.com