

22

**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 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 VILLAGE UNIT 6C** (hereinafter referred to as "Subdivision"); the Final Map of which was filed with the El Dorado County Board of Supervisors on the 11<sup>th</sup> day of December, 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 6C, TM 99-1359-6C**. 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 **Improvement Plans for West Valley Village Unit 6C** which were approved by the County Engineer, Department of Transportation, on May 1, 2006. Attached hereto are Exhibit A, marked "Schedule of Street Improvements;" Exhibit B, marked "Schedule of Water Improvements;" Exhibit C, marked "Schedule of Sewer Improvements;" Exhibit D, marked "Schedule of Drainage 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 **ONE MILLION THREE HUNDRED TWENTY-ONE THOUSAND SIX HUNDRED TWO DOLLARS AND 28/100 (\$1,321,602.28).**

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, CA 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, CA 95678-1936  
Attn.: Larry Gualco, Vice President

or to such other location as Subdivider directs.

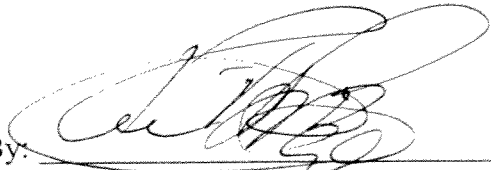
30. The County officer or employee with responsibility for administering this Agreement is James W. Ware, Deputy Director, Transportation Planning and Land Development, Department of Transportation, or successor.

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:   
Board of Supervisors  
"County"

Dated: 12/11/07

**RON BRIGGS SECOND VICE-CHAIRMAN**


Attest:  
Cindy Keck  
Clerk of the Board of Supervisors

By:   
Deputy Clerk

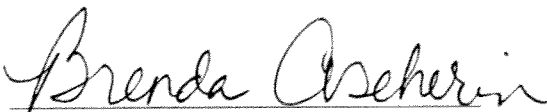
Dated: 12/11/07

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

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

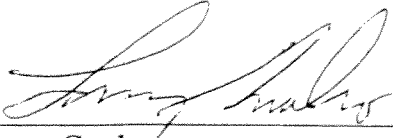
By:   
Larry Gualco  
Vice President  
"Owner"

Dated: 10/15/07

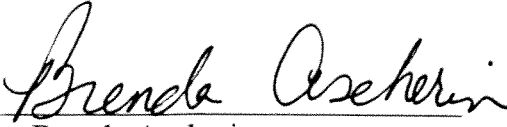
By:   
Brenda Ascherin  
Corporate Secretary

Dated: 10/15/2007

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

By:   
Larry Gualco  
Vice President  
"Subdivider"

Dated: 10/15/07

By:   
Brenda Ascherin  
Corporate Secretary

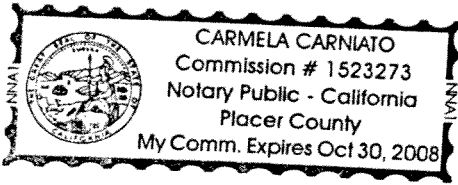
Dated: 10/15/2007



STATE OF CALIFORNIA  
*PLACER*  
COUNTY OF EL DORADO

On this 15<sup>th</sup> day of October, 2007, before me a Notary Public, personally appeared LARRY SUALCE, 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.

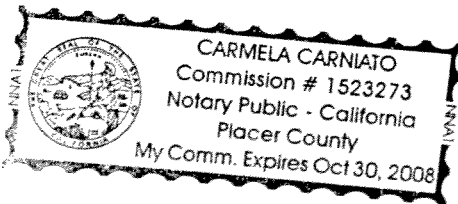


Carmela Carniato  
Notary Public in and for said County and State

STATE OF CALIFORNIA  
COUNTY OF EL DORADO

On this 15<sup>th</sup> day of October, 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.



Carmela 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 6C** 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	29,802	sf	\$1.56	\$46,491.12
8" AB	29,802	sf	\$1.80	53,643.60
Type 1 Rolled Curb & Gutter	2,112	lf	\$18.00	38,016.00
Sidewalk	8,873	sf	\$6.00	53,238.000
Extra for Handicapped Ramp	3	Ea	\$1,200.00	3,600.00
Barricade w/Gate	1	ea	\$3,000.00	3,000.00
<b>Subtotal Street Improvements</b>				<b>\$197,988.72</b>
Project Administration		2%		3,959.77
Engineering and Staking		5%		9,899.43
Contingency		15%		29,698.30
Inspection		4%		7,919.54
<b>Total Street Improvements</b>				<b>\$249,465.76</b>

**Exhibit B**

**SCHEDULE OF WATER IMPROVEMENTS**

Owner and Subdivider agree to install the water supply and distribution system in the **West Valley Village Unit 6C** 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>
12" Line Incl. Fittings	1,026	lf	\$78.00	\$80,028.00
Fire Hydrant	2	ea	\$3,000.00	6,000.00
1" ARV	1	ea	\$1,440.00	1,440.00
4" BOV	1	ea	\$2,400.00	2,400.00
Service - water	28	ea	\$1,080.00	30,240.00
Connect to E Water Line	1	ea	\$1,800.00	1,800.00
<b>Subtotal Water Improvements</b>				<b>\$121,908.00</b>
Project Administration		2%		2,438.16
Engineering and Staking		5%		6,095.40
Contingency		15%		18,286.20
Inspection		4%		4,876.32
<b>Total Water Improvements</b>				<b>\$153,604.08</b>

**Exhibit C**

**SCHEDULE OF SEWER IMPROVEMENTS**

Owner and Subdivider agree to install the sewer collection and disposal system in the **West Valley Village Unit 6C** 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 Sewer Improvements:

<b>Item Description</b>	<b>Quantity</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>Total Cost</b>
6" Line (SDR-35)	1,195	lf	\$54.00	\$64,530.00
Std. 48" SS Manhole	3	ea	\$3,720.00	11,160.00
Std. 48" SS Manhole w/lining	1	ea	\$7,920.00	7,920.00
Cleanout	1	ea	\$600.00	600.00
Gravity Service – sewer	26	ea	\$1,500.00	39,000.00
Backwater Valves	23	ea	\$840.00	19,320.00
Connect to E Sewer Line	1	ea	\$3,600.00	3,600.00
T.V. Sewers	1,195	lf	\$2.40	2,868.00
<b>Subtotal Sewer Improvements</b>				<b>\$148,998.00</b>
Project Administration		2%		2,979.96
Engineering and Staking		5%		7,449.90
Contingency		15%		22,349.70
Inspection		4%		5,959.92
<b>Total Sewer Improvements</b>				<b>\$187,737.48</b>

**Exhibit D**

**SCHEDULE OF DRAINAGE IMPROVEMENTS**

Owner and Subdivider agree to install the drainage improvements in the **West Valley Village Unit 6C** 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 Drainage Improvements:

<b>Item Description</b>	<b>Quantity</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>Total Cost</b>
12" Storm Drain	82	lf	\$48.00	\$3,936.00
18" Storm Drain	888	lf	\$54.00	47,952.00
24" Storm Drain	168	lf	\$60.00	10,080.00
C.P. Model 4A D.I. w/6Y Gallery & w/Reinforcement	1	Ea	\$4,560.00	4,560.00
C.P. Model 4A D.I. w/6Y Gallery & w/48" Manhole Base	1	Ea	\$6,600.00	6,600.00
C.P. Model 4A D.I. w/Reinforcements	2	ea	\$2,760.00	5,520.00
C.P. Model 4A D.I. w/48" Manhole Base	2	ea	\$4,800.00	9,600.00
Std. 48" Manhole w/eccentric cone	1	ea	\$4,200.00	4,200.00
Standard Grated Inlet	3	ea	\$2,160.00	6,480.00
Connect to E Drain Line	1	ea	\$600.00	600.00
<b>Subtotal Drainage Improvements</b>				<b>\$99,528.00</b>
Project Administration		2%		1,990.56
Engineering and Staking		5%		4,976.40
Contingency		15%		14,929.20
Inspection		4%		3,981.12
<b>Total Drainage Improvements</b>				<b>\$125,405.28</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 6C** 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" Line Incl. Fitting	1,014	lf	\$42.00	\$42,588.00
1" ARV	1	ea	\$1,440.00	1,440.00
2" BOV	1	ea	\$1,200.00	1,200.00
Service – recycled water	28	ea	\$1,080.00	30,240.00
Connect to E Recycled Water Line	1	ea	\$1,800.00	1,800.00
<b>Subtotal Recycled Water Improvements</b>				<b>\$77,268.00</b>
Project Administration		2%		1,545.36
Engineering and Staking		5%		3,863.40
Contingency		15%		11,590.20
Inspection		4%		3,090.72
<b>Total Recycled Water Improvements</b>				<b>\$97,357.68</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 6C** 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 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	28	Lots	\$1,920.00	\$53,760.00
Conduit and Boxes	28	Lots	\$1,440.00	40,320.00
Wiring and Transformers	28	Lots	\$1,440.00	40,320.00
Utility Service	28	Lots	\$9,600.00	268,800.00
<b>Subtotal Power &amp; Telephone Improvements</b>				<b>\$403,200.00</b>
Project Administration		2%		8,064.00
Engineering and Staking		5%		20,160.00
Contingency		15%		60,480.00
Inspection		4%		16,128.00
<b>Total Power &amp; Telephone Improvements</b>				<b>\$508,032.00</b>

**CERTIFICATION OF PARTIAL COMPLETION OF SUBDIVISION IMPROVEMENTS**

I hereby certify that the following improvements in the **West Valley Village Unit 6C, TM 99-1359-6C**, Subdivision have been completed, to wit:

	<u>Total Amount</u>	<u>Percent Complete</u>	<u>Remaining Amount</u>
Street Improvements	\$249,465.76	0%	\$249,465.76
Water Improvements	153,604.08	0%	153,604.08
Sewer Improvements	187,737.48	0%	187,737.48
Drainage Improvements	125,405.28	0%	125,405.28
Recycled Water Improvements	97,357.68	0%	97,357.68
Power/Telephone Improvements	508,032.00	0%	508,032.00
<b>Totals</b>	<b>\$1,321,602.28</b>		<b>\$1,321,602.28</b>

I estimate the total cost of completing the remainder of the improvements, agreed to be performed by the Owner and Subdivider to be **One Million Three Hundred Twenty-One Thousand Six Hundred Two Dollars and Twenty-Eight Cents (\$1,321,602.28)**.

The Performance Bond is for the amount of **One Million Three Hundred Twenty-One Thousand Six Hundred Two Dollars and Twenty-Eight Cents (\$1,321,602.28)**.

The Laborers and Materialmens Bond is for the amount of **Six Hundred Sixty Thousand Eight Hundred One Dollars and Fourteen Cents (\$660,801.14)**.

DATED: 10-19-07



*[Signature]*  
 David R. Crosariol, RCE 34520  
 Cooper Thorne & Associates, Inc.  
 3233 Monier Circle, Suite 1  
 Rancho Cordova, CA 95742

**ACCEPTED BY THE COUNTY OF EL DORADO**

DATED: 10/25/07

*[Signature]*  
 Richard W. Shepard, P.E.  
 Director of Transportation



Executed in Duplicate

R I D E R

To be attached to and form part of:

Bond Number 82044784  
dated July 5, 2007

issued by the FEDERAL INSURANCE COMPANY

in the amount of \$1,321,602.28- Performance and \$660,801.14- Labor and Material

on behalf of LENNAR COMMUNITIES, INC.  
(Principal)

and in favor of COUNTY OF EL DORADO  
(Obligee)

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

**Amending the Date of Agreement and Effective Date of bond to be:**

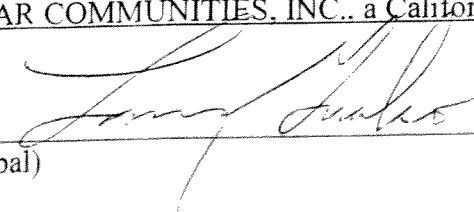
October 17, 2007

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 17<sup>th</sup> day of October, 2007.

Signed, Sealed & Dated this 17<sup>th</sup> day of October, 2007.

LENNAR COMMUNITIES, INC., a California corporation

By:   
(Principal)

FEDERAL INSURANCE COMPANY  
(Surety)

By:   
Jeri Apodaca, Attorney-in-Fact

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

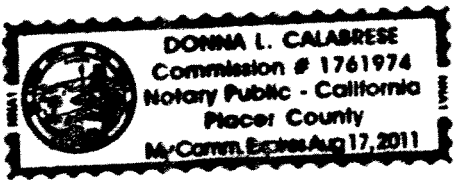
County of Placer }

On 10/17/07 before me, Donna L. Calabrese, Notary Public  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Larry Gualco  
Name(s) of Signer(s)

- 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.



Place Notary Seal Above

WITNESS my hand and official seal.  
 Signature Donna L. Calabrese  
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: \_\_\_\_\_
- 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: \_\_\_\_\_

# ACKNOWLEDGEMENT

State of California  
County of Orange

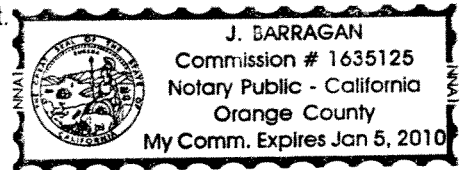
On October 17, 2007 before me, J. Barragan, Notary Public  
(here insert name and title of the officer)

personally appeared Jeri Apodaca

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 \_\_\_\_\_



(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, 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*  
Kenneth C. Wendel, Assistant Secretary

*John P. Smith*  
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**

*Katherine Kalbacher*

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 17th day of October, 2007



*Kenneth C. Wendel*  
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

Bond No. 82044784  
Premium: \$19,824.00/2 yrs.

**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 12/11, 2007, and identified as project West Valley Village Unit 6C (TM 99-1359-6C) 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 **One Million Three Hundred Twenty-One Thousand Six Hundred Two Dollars and Twenty-Eight Cents (\$1,321,602.28)** 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

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 July 5, 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 [Signature]

Name & Title  
Street Address  
City, State Zip

**NOTARIES ATTACHED**

**ACKNOWLEDGEMENT**

State of California  
County of Orange

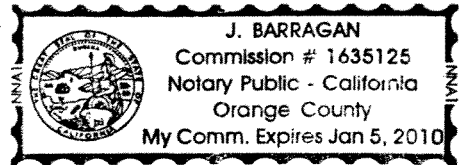
On JUL 05 2007 before me, J. Barragan, Notary Public  
(here insert name and title of the officer)

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 \_\_\_\_\_



(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 OR TYPE OF DOCUMENT

TITLE(S)

- PARTNER(S)       LIMITED
- GENERAL

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

- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: \_\_\_\_\_

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

**SIGNER IS REPRESENTING:**

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

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

**PRINCIPAL**

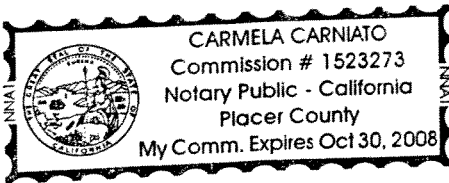
**STATE OF CALIFORNIA  
COUNTY OF PLACER**

On this 2<sup>nd</sup> day of July, 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.

*Carmela Carniato*

Notary Public in and for said County and State



**SURETY**

**STATE OF CALIFORNIA**  
**COUNTY OF** Please see notary acknowledgement attached

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.

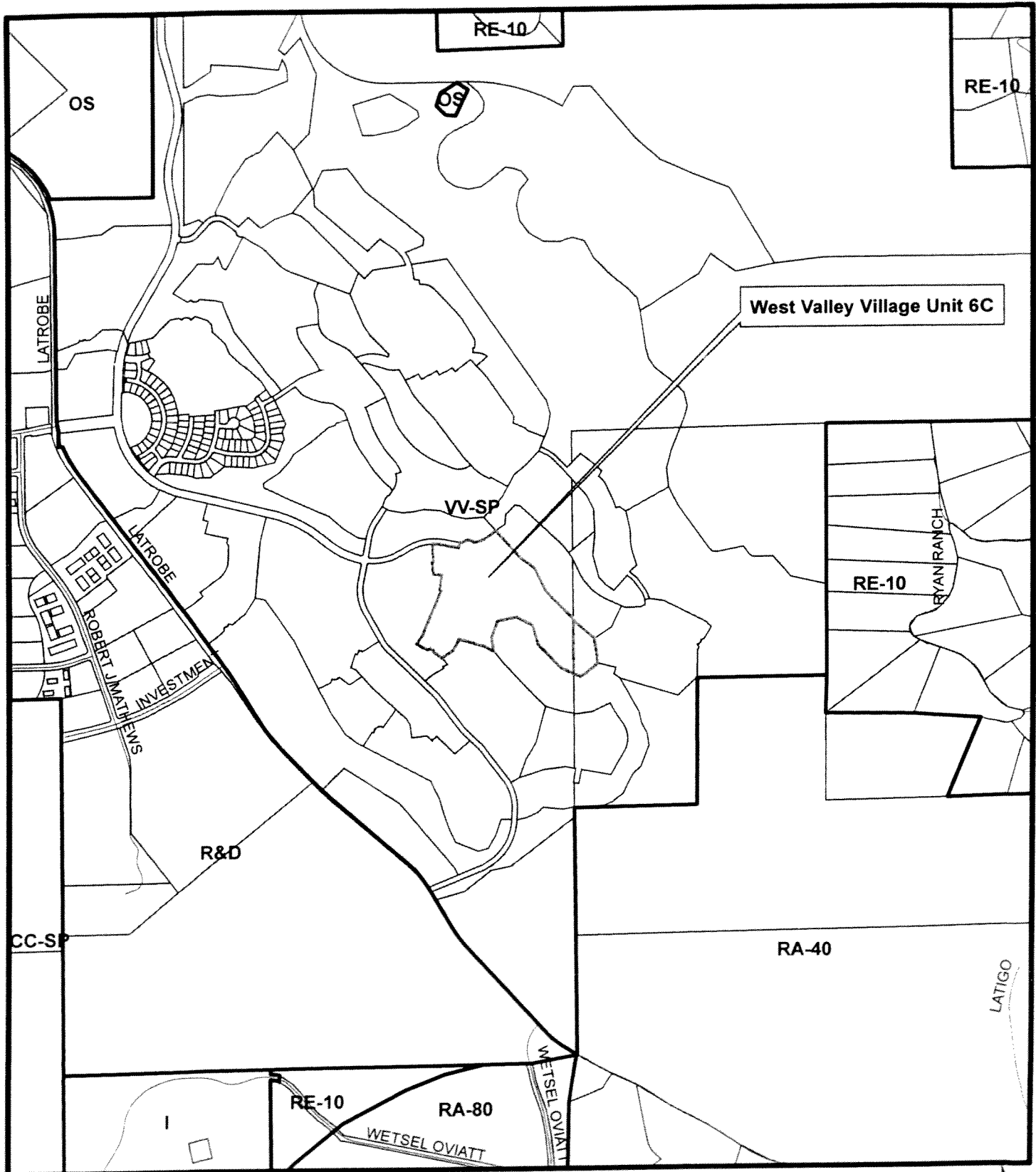
WITNESS my hand and official seal.

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

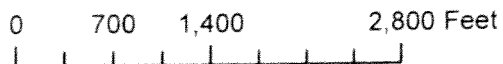


West Valley Village, Unit 6C (Landsource Holding Company)  
Application File No. TM99-1359F

Attachment A- Vicinity Map



Map prepared by:  
Mel Pabalinas  
El Dorado County  
Planning Services



Executed in Duplicate

Bond No. 82044784  
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 December 11, 2007, and identified as project West Valley Village Unit 6C (TM 99-1359-6C) 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 **Six Hundred Sixty Thousand Eight Hundred One Dollars and Fourteen Cents (\$660,801.14)**, 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.

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 July 5, 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**

**ACKNOWLEDGEMENT**


State of California  
County of Orange

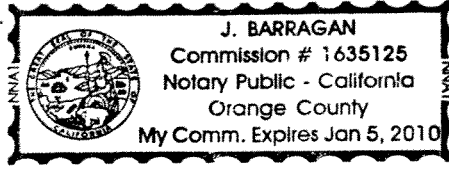
On JUL 05 2007 before me, J. Barragan, Notary Public  
(here insert name and title of the officer)

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 



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

\_\_\_\_\_  
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

**PRINCIPAL**

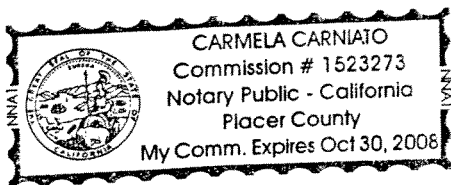
**STATE OF CALIFORNIA**  
**COUNTY OF PLACER**

On this 2<sup>nd</sup> day of July, 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.

Carmela Carniato

Notary Public in and for said County and State



**SURETY**

**STATE OF CALIFORNIA**

**COUNTY OF** Please see notary acknowledgement attached

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



**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 5th day of July, 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

# 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 6C

Gentlemen:

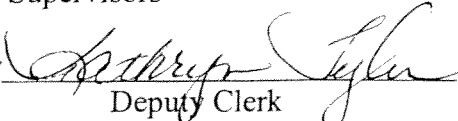
At a regular meeting of the El Dorado County Board of Supervisors held Tuesday, September 23, 2008 the Board reduced Performance Bond 82044784 from \$1,321,602.28 to \$400,384.21.

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   
Deputy Clerk

/kt

Enclosure

Cc: CTA Engineering & Surveying  
✓ Karen Wilson, DOT

4:08:50 PM  
RECEIVED  
DOT

Executed in Duplicate

Bond No. 82044784  
Premium: \$19,824.00/2 yrs.

**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 12/11, 2007, and identified as project **West Valley Village Unit 6C (TM 99-1359-6C)** 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 Oblige, in the penal sum of **One Million Three Hundred Twenty-One Thousand Six Hundred Two Dollars and Twenty-Eight Cents (\$1,321,602.28)** 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 July 5, 2007.

**"Surety"**

Federal Insurance Company

**"Principal"**

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

By

Rosa E. Rivas

Rosa E. Rivas  
Attorney-In-Fact  
Print Name

By

[Signature]

Name & Title  
Street Address  
City, State Zip

**NOTARIES ATTACHED**

# ACKNOWLEDGEMENT

State of California  
County of Orange

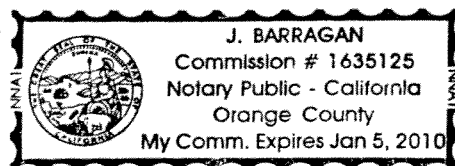
On JUL 05 2007 before me, J. Barragan, Notary Public  
(here insert name and title of the officer)

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



(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  
 TRUSTEE(S)       GENERAL  
 ATTORNEY-IN-FACT  
 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

**PRINCIPAL**

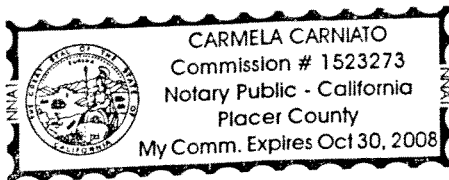
**STATE OF CALIFORNIA**  
**COUNTY OF PLACER**

On this 2<sup>nd</sup> day of July, 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.

*Carmela Carniato*

Notary Public in and for said County and State



**SURETY**

**STATE OF CALIFORNIA**

**COUNTY OF** Please see notary acknowledgement attached

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



**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 5th day of July, 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