

ORIGINAL

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 **KB HOME SACRAMENTO INC.**, a corporation duly qualified to conduct business in the State of California, whose principal place of business is 3005 Douglas Boulevard, Suite 250, Roseville, California 95661 (hereinafter referred to as "Successor 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 6B** (hereinafter referred to as "Subdivision"); the Final Map of which was filed with the El Dorado County Board of Supervisors on the 28th day of August, 2007;

RECITALS

WHEREAS, the Agreement originally required Landsource Holding Company, LLC, the then owner, and Subdivider to complete the subdivision improvements thereunder on or before August 28, 2009;

WHEREAS, on January 29, 2013, the Board of Supervisors approved First Amendment to Agreement 07-1494, to extend the time for completion of the subdivision improvements to February 7, 2013; to update the estimated costs of installing the improvements; to revise the bond amounts; and to update the County's notice recipients and County officer or employee with responsibility for administering the Agreement;

WHEREAS, Landsource Holding Company, LLC and Subdivider did not complete all of the improvements, and prior to December 6, 2013 requested an extension of time to complete the subdivision improvements subject to the terms and conditions contained herein, to February 7, 2014;

WHEREAS, Landsource Holding Company, LLC entered into an Assignment and Assumption Agreement (Unit 6B, Blackstone) with Successor Owner, KB Home Sacramento Inc., and transferred ownership of West Valley Village, Unit 6B to Successor Owner on December 6, 2013;

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

WHEREAS, Subdivider, 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 as follows:

All references in the Agreement, as amended, to Owner, Landsource Holding Company, LLC, shall now refer to Successor Owner, KB Home Sacramento Inc., a California corporation; and

Section 3 is hereby 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

Attn.: Bard R. Lower
Transportation Division Director

County of El Dorado
Community Development Agency
Administration and Finance Division
2850 Fairlane Court
Placerville, California 95667

Attn.: Sherrie Busby
Administrative Services Officer
Contract Services Unit

or to such other location as County directs.

Notices to Successor Owner shall be addressed as follows:

KB Home Sacramento Inc.
3005 Douglas Boulevard, Suite 250
Roseville, California 95661

Attn.: Leo Pantoja
Director, Forward Planning

or to such other location as Successor 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

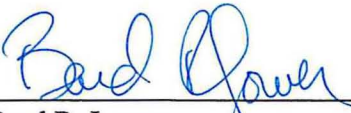
or to such other location as Subdivider directs.

Section 30 is hereby 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.


Except as herein amended, all other parts and sections of that certain Agreement dated August 28, 2007, as thereafter amended, shall remain unchanged and in full force and effect.

Requesting Division and Contract Administrator Concurrence:

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

Dated: 1/31/14

Requesting Department Concurrence:

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

Dated: 2/4/14

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

-- COUNTY OF EL DORADO --

By: _____

Dated: _____

Board of Supervisors
"County"

Attest:

James S. Mitrison
Clerk of the Board of Supervisors

By: _____

Dated: _____

Deputy Clerk

-- KB HOME OF SACRAMENTO INC. --

A California Corporation

By: _____

Dated: 01/27/14


Leo Pantoja
Director, Forward Planning
"Owner"

OWNER

ACKNOWLEDGMENT

State of California

County of Placer

On 1/27/14 before me, Amy Navarro, Notary Public,
(here insert name and title of the officer)

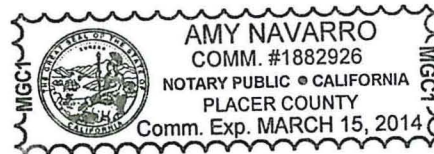
personally appeared Leo Pantoja

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 *Amy Navarro*



(Seal)

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

By: 

Larry Guasco
Vice President
"Subdivider"

Dated: 3/18/14

By: 

Earl Keith
Vice President/
Division Controller

Dated: 3/18/14

SUBDIVIDER

ACKNOWLEDGMENT

State of California

County of Placer

On 3/18/14 before me, Monique Reynolds, Notary Public
(here insert name and title of the officer)

personally appeared Larry Galco &
Earl Keith

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)

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 6B Subdivision, TM 99-1359-6B** have been completed, to wit:

	Total Amount	Percent Complete	Remaining Amount
Street Improvements	\$ 699,119.70	0%	\$ 699,119.70
Water Improvements	\$ 268,776.00	0%	\$ 268,776.00
Sewer Improvements	\$ 383,427.95	0%	\$ 383,427.95
Drainage Improvements	\$ 398,383.85	28.92%	\$ 283,171.24
Recycled Water Improvements	\$ 227,460.00	0%	\$ 227,460.00
Underground Power and Telephone Improvements	\$ 930,816.00	0%	\$ 930,816.00
Bond Enforcement (2%)	\$ 58,159.67	0%	\$ 58,159.67
Construction Staking (4%)	\$ 116,319.34	0%	\$ 116,319.34
Construction Management (10%)	\$ 290,798.35	0%	\$ 290,798.35
Contingency (10%)	\$ 290,798.35	0%	\$ 290,798.35
Inspection (4%)	\$ 116,319.34	0%	\$ 116,319.34
Total	\$ 3,780,378.55		\$ 3,665,165.94

I estimate the revised total cost of completing the improvements agreed to be performed by the Owner and Subdivider to be **Three Million Seven Hundred Eighty Thousand Three Hundred Seventy-Eight Dollars and 55/100 (\$3,780,378.55)**.

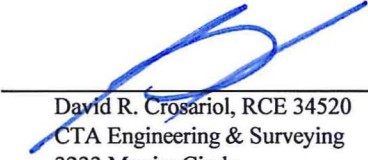
I estimate the revised total cost of completing the remainder of the improvements to be **Three Million Six Hundred Sixty-Five Thousand One Hundred Sixty-Five Dollars and 94/100 (\$3,665,165.94)** and the revised cost of the completed work to be **One Hundred Fifteen Thousand Two Hundred Twelve Dollars and 61/100 (\$115,212.61)**.

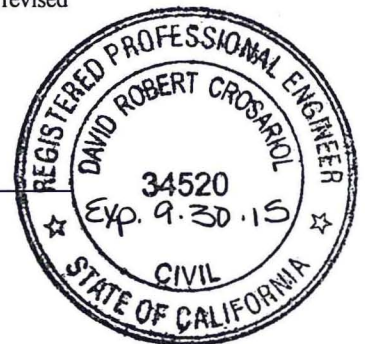
The revised amount of the Performance Bond is **Three Million Six Hundred Seventy-Six Thousand Six Hundred Eighty-Seven Dollars and 20/100 (\$3,676,687.20)**, representing a reduction of 90% of the revised cost estimate for the work completed.

The revised amount of the Laborers and Materialmens Bond is **One Million Eight Hundred Ninety Thousand One Hundred Eighty-Nine Dollars and 28/100 (\$1,890,189.28)**, which is 50% of the revised Total Cost of the Improvements.

There will be no further reduction of the bonds.


DATED: 4-17-14


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



ACCEPTED BY THE COUNTY OF EL DORADO

DATED: 4/24/2014


 Andrew S. Gaber, P.E.
 Deputy Director
 Development/ROW/Environmental



CERTIFICATE OF SECRETARY

I, Tony Richelieu, do hereby certify that I am the duly elected, qualified and acting Secretary of KB HOME Sacramento Inc., a California corporation (this "Corporation").

I do further certify that the resolutions attached hereto as Exhibit "A" are a true and complete representation of such resolutions that were duly adopted by the unanimous written consent of the Board of Directors of this Corporation as of December 13, 2013, and that said resolutions have not been rescinded, modified or revoked, and are in full force and effect.

WITNESS MY HAND this 13th day of December, 2013.



Tony Richelieu
Secretary

EXHIBIT "A"
KB HOME SACRAMENTO INC.
RESOLUTIONS ADOPTED AS OF DECEMBER 13, 2013

Signing Authority

BE IT RESOLVED. . . that the following officers and/or employees of this Corporation be, and each hereby is, authorized to act on behalf of this Corporation; provided, however, that such authority shall be limited to such authority as may be provided herein below and to other ordinary course of business transactions relating to the operations of this Corporation as indicated hereinbelow:

Christopher B. Cady	President
Scott Onderdonk	Vice President, Finance
Lauren Boro	Assistant Secretary
Maria Braden	Assistant Secretary and Director, Sales
Charles E. Brown	Regional Construction Manager
Charles Sherwood	Manager, Customer Service
Monica Weaver	Escrow Manager
Steve Chaump	Director, Purchasing
Doug Dieter	Director, Land Acquisition
Zach Gomes	Director, Land Development
Chris Mullins	Director, Land Acquisition
Donna O'Connell	Director, Marketing
Leo Pantoja	Director, Forward Planning

RESOLVED FURTHER, that the following persons be, and each hereby is, authorized and empowered on behalf and in the name of this Corporation to execute, acknowledge and deliver any and all documents deemed by such person to be necessary or appropriate in connection with the acquisition, disposition, and development of bulk parcels of real property by this Corporation, including, but not limited to, land purchase and sale agreements, amendments, assignments, escrow instructions, grant deeds, promissory notes, deeds of trust, maps, and related agreements and documents:

Any one of:

Christopher B. Cady

Any two acting together:

Scott Onderdonk
Doug Dieter
Zach Gomes
Chris Mullins
Leo Pantoja

RESOLVED FURTHER, that the following persons, acting alone, be, and each hereby is, authorized and empowered on behalf and in the name of this Corporation to execute, acknowledge and deliver any and all documents deemed by such person necessary or appropriate in connection with this Corporation's project forward planning and entitlement activities including but not limited to, entitlement applications, subdivision improvement agreements, builder's certification of plans, specifications and site plans, easements, development agreements, declarations of covenants, conditions and restrictions, recorded notices, notices of commencement, permit applications, subdivision and tract maps and exhibits thereto and supporting documents, applications or other filings required to be filed with the Department of Real Estate of California, condominium plans, consultant agreements, and project bonds:

Christopher B. Cady
Scott Onderdonk
Leo Pantoja

RESOLVED FURTHER, that the following persons, acting alone, be, and each hereby is, authorized and empowered on behalf and in the name of this Corporation to execute, acknowledge and deliver any and all documents deemed by such person necessary or appropriate in connection with this Corporation's land improvement and development activities including but not limited to, builder's certification of plans, specifications and site plans, notices of commencement, permit applications, land development subcontracts, materials and supply contracts, and utility contracts:

Christopher B. Cady
Scott Onderdonk
Zach Gomes
Leo Pantoja

RESOLVED FURTHER, that the following persons, acting alone, be, and each hereby is, authorized and empowered on behalf and in the name of this Corporation to execute, acknowledge and deliver all contracts (including purchase and sale agreements, amendments, addendums and other ancillary documents forming a part of the contract), reservation agreements, escrow instructions, grant deeds, notes, deeds of trust, warranties, and other agreements and documents necessary or appropriate with respect to the sale and conveyance of title to residential dwellings standing in the name of this Corporation, including, but not limited to, any and all documents required by the Department of Housing and Urban Development, documents necessary to qualify for government or quasi-government sponsored loan programs including, but not limited to, developer, buyer and seller certifications, and other documents and instruments appropriate to cause this Corporation to transfer and convey such real property and related assets:

Christopher B. Cady
Scott Onderdonk
Maria Braden*
Monica Weaver*

; provided further, that the persons in this resolution designated with an asterisk are authorized to sign warranties and grant deeds only with at least one other person identified immediately above who is not so designated;

RESOLVED FURTHER, that the following person(s), acting alone, be, and each hereby is, authorized and empowered on behalf and in the name of this Corporation to execute, acknowledge and deliver any and all documents deemed by him or her to be necessary or appropriate in connection with this Corporation's sales, marketing and real property management activities, including, but not limited to, master service agreements, vendor agreements, independent contractor sales agreements and supporting documents and offers of employment with this Corporation for sales personnel:

Christopher B. Cady
Scott Onderdonk
Maria Braden

Donna O'Connell (*excluding independent contractor sales agreements)

RESOLVED FURTHER, that the following persons, acting alone, be, and each hereby is, authorized and empowered on behalf and in the name of this Corporation to execute, acknowledge and deliver any and all master subcontract agreements, material purchase agreements, subcontract work agreements, and related documents with respect to the construction of improvements on real property:

Christopher B. Cady
Scott Onderdonk
Zach Gomes
Steve Chaump

RESOLVED FURTHER, that the following persons, acting alone, be, and each hereby is, authorized and empowered on behalf and in the name of this Corporation to execute, acknowledge and deliver master consultant agreements, and related documents with respect to development of real property:

Christopher B. Cady
Scott Onderdonk
Zach Gomes
Leo Pantoja

RESOLVED FURTHER, that the following persons, acting alone, be, and each hereby is, authorized and empowered on behalf and in the name of this Corporation to execute, acknowledge and deliver any and all documents required in connection with this Corporation's customer service and new home warranty activities and other related business operations including, but not limited to, settlement agreements, purchase orders and subcontracts for labor and materials:

Christopher B. Cady
Scott Onderdonk
Charles Sherwood

Charles E. Brown (*excluding settlement agreements)

RESOLVED FURTHER, that any of the following persons, acting alone, be, and each hereby is, authorized and empowered on behalf and in the name of this Corporation to execute, acknowledge and deliver documents establishing bank accounts, financing arrangements and other ordinary course banking and financial arrangements:

Christopher B. Cady
Scott Onderdonk

RESOLVED FURTHER, that the following persons, acting alone, be, and each hereby is, authorized and empowered on behalf and in the name of this Corporation to execute, acknowledge and deliver any and all documents required in connection with this Corporation's studio and showroom sales activities and related business operations:

Christopher B. Cady
Scott Onderdonk
Donna O'Connell

RESOLVED FURTHER, that the following person(s), acting alone, be, and each hereby is, authorized and empowered to act on behalf of this Corporation in its capacity as a member of any limited liability company or as a partner of any partnership in which this Corporation owns an interest:

Christopher B. Cady

RESOLVED FURTHER, that the following persons, acting together, be, and each hereby is, authorized and empowered to act on behalf of this Corporation in its capacity as a member of any limited liability company or as a partner of any partnership in which this Corporation owns an interest:

Christopher B. Cady
Scott Onderdonk

RESOLVED FURTHER, that Christopher B. Cady, President of this Corporation be, and he hereby is, authorized, empowered and directed, for and on behalf of this Corporation, to take such further actions and to do all such further things which he may deem necessary and appropriate to accomplish the purpose and to effectuate the intent of any of the foregoing resolutions with respect to this Corporation.

RESOLVED FURTHER, that any and all documents executed or actions undertaken by any officers or employees listed in the foregoing resolutions between November 18, 2013 and the date hereof substantively within the scope of their authority as designated above be, and they hereby are, ratified, confirmed and approved.