

ORIGINAL

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

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 TAYLOR MORRISON OF CALIFORNIA, LLC, a limited liability company, duly qualified to conduct business in the State of California, whose principal place of business is 15 Cushing, Irvine, California 92618 and whose local office address is 1180 Iron Point Road, Suite 100, Folsom, California 95630 (hereinafter referred to as "Owner"); concerning WEST VALLEY VILLAGE, UNIT 8A, TM 99-1359-8 (hereinafter referred to as "Subdivision"); the Final Map of which was filed with the El Dorado County Board of Supervisors on the 17 day of MAY, 2011.

RECITALS

Owner is vested with fee title to Subdivision; a tract of land located in the County of El Dorado, State of California, and described as West Valley Village, Unit 8A. Owner desires 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 of the Conditions of Approval, and the Final Map to be filed and recorded, the parties agree as follows:

AGREEMENT

OWNER 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 West Valley Village – Unit 8A Improvement Plans, which were approved by the County Engineer, Department of Transportation, on June 26, 2007, and as thereafter amended by Contract Change Order. Attached hereto are Exhibit A, marked "Schedule of Street Improvements;" Exhibit B, marked "Schedule of Drainage Improvements;" Exhibit C, marked "Schedule of Sewer Improvements;" and Exhibit D, marked "Schedule of Water Improvements;" Exhibit E, marked "Schedule of Recycled Water Improvements;" 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 the El Dorado County 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, Owner shall, upon twenty (20) days written notice by County, post replacement securities 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 pay to County 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 the Board of Supervisors of El Dorado County.

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 Owner'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 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, 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.

11. Enter into another agreement with County for all road improvements to be performed on County property. Such agreement shall also 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 the County's Risk Management Division.

12. Provide continuous, sufficient access to Owner's 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.

COUNTY WILL:

14. 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.

15. 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.

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

17. Require Owner 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.

18. Require Owner 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 estimates and the Storm Water Pollution Prevention Plan (SWPPP) as may be deemed 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.

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

20. 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 County to secure the repair of any hidden defects in workmanship or materials which may appear.

21. Require Owner to pay County for costs, expenses and reasonable attorneys' fees to be paid by Owner 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 subsequently proceeds to complete the work.

ADDITIONAL PROVISIONS:

22. The estimated cost of installing all of the improvements is **TWO MILLION THREE HUNDRED FIFTY THOUSAND FIVE HUNDRED SIXTY-FOUR DOLLARS & 41/100 (\$2,350,564.41)**.

23. 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 latest rules and regulations of the State Fire Marshal, 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.

24. Inspection of the work and/or materials or statements by any officer, agent, or employee of County indicating that 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 of its obligation 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.

25. 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.

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

27. 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.: Eileen Crawford
Supervising Civil Engineer
Transportation Planning &
Land Development Division

County of El Dorado
Department Of Transportation
2850 Fairlane Court
Placerville, California 95667

Attn.: Janel Gifford
Office Engineer/Contract Services Unit

or to such other location as County directs.

Notices to Owner shall be addressed as follows:

Taylor Morrison of California, LLC
1180 Iron Point Road, Suite 100
Folsom, California 95630

Attn.: Jay Pawlek,
Director of Land Development

or to such other location as Owner directs.

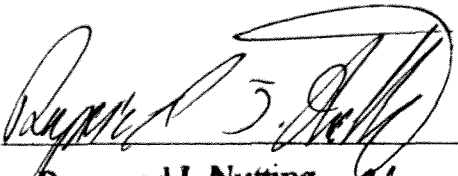
28. The County officer or employee with responsibility for administering this Agreement is Eileen Crawford, Supervising Civil Engineer, Transportation Planning & Land Development Division, Department of Transportation, or successor.

29. 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.

30. 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: 
Raymond J. Nutting, Chair
Board of Supervisors
"County"


Dated: 5-17-11

Attest:
Suzanne Allen de Sanchez
Clerk of the Board of Supervisors

By: 
Deputy Clerk

Dated: 5-17-11

--TAYLOR MORRISON OF CALIFORNIA, LLC--

By: 
Kenneth Dar Ahrens
Division President
"Owner"

Dated: 4/5/11

Notary Acknowledgment Attached

OWNER

ACKNOWLEDGMENT

State of California

County of SACRAMENTO

On April 5, 2011 before me, Kathleen Faye Lopez
(here insert name and title of the officer)

personally appeared

Kenneth Dav Ahrens

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 Kathleen F. Lopez



(Seal)

Exhibit A

Schedule of Street Improvements

Owner agrees to improve all streets and roads for dedication upon the final map of the **West Valley Unit 8A** 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:

Item Description	Quantity	Unit	Unit Cost	Total Cost
Excavation	1	LS	\$ 5,000.00	\$ 5,000.00
Erosion Cntrl Measures & SWPPP Compl	30	LOT	\$ 2,000.00	\$ 60,000.00
Dust Control	30	LOT	\$ 625.00	\$ 18,750.00
3" AC	73,472	SF	\$ 2.05	\$ 150,617.60
8" AB	73,472	SF	\$ 2.75	\$ 202,048.00
Type 1 Rolled Curb and Gutter	3,509	LF	\$ 30.50	\$ 107,024.50
Type 2 Vertical Curb and Gutter	1,577	SF	\$ 30.50	\$ 48,098.50
Sidewalk	8,870	SF	\$ 7.15	\$ 63,420.50
ADA Curb Ramp	6	EA	\$ 2,100.00	\$ 12,600.00
Barricade	66	LF	\$ 50.80	\$ 3,352.80
Stop Sign & Pavement Marking	4	EA	\$ 762.00	\$ 3,048.00
Street Sign	3	LF	\$ 406.40	\$ 1,219.20

Total Street Improvements \$ 675,179.10

Exhibit B

Schedule of Drainage Improvements

Owner agrees to install all drainage improvements for the West Valley Unit 8A 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:

Item Description	Quantity	Unit	Unit Cost	Total Cost
12" Storm Drain	195	LF	\$ 50.80	\$ 9,906.00
18" Storm Drain	2,186	LF	\$ 55.90	\$ 122,197.40
C.P. Model 4A D.I. W/48" Manhole Base	3	EA	\$ 8,900.00	\$ 26,700.00
C.P. Model 4A D.I. W/48" Manhole Base & 6Y Pelican Gallery	10	EA	\$ 9,000.00	\$ 90,000.00
Std. 48" Manhole	5	EA	\$ 3,048.00	\$ 15,240.00
Std. Grated Inlet	1	EA	\$ 2,160.00	\$ 2,160.00
RSP Backing #1	25	CY	\$ 121.95	\$ 3,048.75
Connect to Existing Drain Line	1	EA	\$ 2,000.00	\$ 2,000.00
T.V. Inspection Storm Drain	2,381	LF	\$ 2.05	\$ 4,881.05
Total Drainage Improvements			\$	276,133.20

Exhibit C

Schedule of Sewer Improvements

Owner agrees to install all sewer improvements for the **West Valley Unit 8A** 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:

Item Description	Quantity	Unit	Unit Cost	Total Cost
6" Sewer Line	2,579	LF	\$ 40.65	\$ 104,836.35
Std. 48" SS Manhole	5	EA	\$ 2,540.00	\$ 12,700.00
Std. 48" SS Manhole w/Lining	3	EA	\$ 3,556.00	\$ 10,668.00
Std. 60" SS Manhole w/Lining	1	EA	\$ 3,556.00	\$ 3,556.00
Gravity Service	36	EA	\$ 508.00	\$ 18,288.00
Backwater Values	24	EA	\$ 690.00	\$ 16,560.00
Cleanout	3	EA	\$ 508.00	\$ 1,524.00
Connect to Existing	2	EA	\$ 1,240.36	\$ 2,480.72
T.V. Inspection Service	2,411	LF	\$ 2.05	\$ 4,942.55

Total Sewer Improvements \$ 175,555.62

Exhibit D

Schedule of Water Improvements

Owner agrees to install all water improvements for the **West Valley Unit 8A** 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:

Item Description	Quantity	Unit	Unit Cost	Total Cost
8" Water Line Incl. Fittings	2,593	LF	\$ 40.65	\$ 105,405.45
8" Gate Valve	9	EA	\$ 1,200.00	\$ 10,800.00
Fire Hydrant Assembly	6	EA	\$ 2,540.00	\$ 15,240.00
2" BOV	2	EA	\$ 711.20	\$ 1,422.40
1" ARV	2	EA	\$ 1,440.00	\$ 2,880.00
Water Services	29	EA	\$ 457.20	\$ 13,258.80
Connect to Existing Water Line	2	EA	\$ 4,000.00	\$ 8,000.00
Total Water Improvements			\$	\$ 157,006.65

Exhibit E

Schedule of Recycled Water Improvements

Owner agrees to install all recycled water improvements for the **West Valley Unit 8A** 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:

Item Description	Quantity	Unit	Unit Cost	Total Cost
6" Recycled Water Line Incl. Fittings	968	LF	\$ 35.60	\$ 34,460.80
12" Recycled Water Line Incl. Fittings	1,656	LF	\$ 61.00	\$ 101,016.00
6" Recycled Water Gate Valve	3	EA	\$ 905.50	\$ 2,716.50
12" Recycled Water Gate Valve	6	EA	\$ 2,340.00	\$ 14,040.00
2" Recycled Water BOV	3	EA	\$ 711.20	\$ 2,133.60
4" Recycled Water BOV	1	EA	\$ 2,032.00	\$ 2,032.00
1" ARV	2	EA	\$ 1,440.00	\$ 2,880.00
Recycled Water Service	30	EA	\$ 457.20	\$ 13,716.00
Connect to Existing Water Line	2	EA	\$ 4,000.00	\$ 8,000.00

Total Recycled Water Improvements \$ 180,994.90

Exhibit F

Schedule of Underground Power and Telephone Improvements

Owner agrees to install all underground power and telephone improvements for the **West Valley Unit 8A** 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:

Item Description	Quantity	Unit	Unit Cost	Total Cost
Jt. Utility Trench	2,575	LF	\$ 10.20	\$ 26,265.00
Conduit and Boxes	30	Lot	\$ 8,128.00	\$ 243,840.00
Wiring and Transformers	30	Lot	\$ 1,219.20	\$ 36,576.00
Utility Services	30	Lot	\$ 1,219.20	\$ 36,576.00
Total Underground Power and Telephone Improvements				\$ 343,257.00

Certificate of Partial Completion of Subdivision Improvements

I hereby certify that the following improvements for Unit 8A of the West Valley Village Subdivision, TM 99-1359-8 have been completed, to wit:

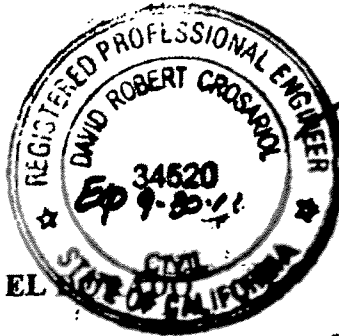
	Total Amount	Percent Complete	Remaining Amount
Street Improvements	\$ 675,179.10	0%	\$675,179.10
Drainage Improvements	\$ 276,133.20	71.26%	\$79,360.68
Sewer Improvements	\$ 175,555.62	69.36%	\$53,792.12
Water Improvements	\$ 157,006.65	80.00%	\$31,401.33
Recycled Water Improvements	\$ 180,994.90	80.00%	\$36,198.98
Underground Power & Utility Improvements	\$ 343,257.00	0%	\$343,257.00
Bond Enforcement Costs	\$ 36,162.53		\$36,162.53
Construction Staking	\$ 72,325.06		\$72,325.06
Construction Management	\$ 180,812.65		\$180,812.65
Inspection	\$ 72,325.06		\$72,325.06
Contingency	\$ 180,812.65		\$180,812.65
Total	\$ 2,350,564.41		\$1,761,627.15

I estimate the total cost of completing the remainder of the improvements agreed to be performed by the Owner to be **One Million Seven Hundred Sixty-One Thousand Six Hundred Twenty-Seven Dollars and 15/100 (\$1,761,627.15)**.

The amount of the Performance Bond is **One Million Eight Hundred Twenty Thousand Five Hundred Twenty Dollars and 88/100 (\$1,820,520.88)**, representing a reduction of 90% of the cost estimate for the work completed.

The amount of the Laborers and Materialsmen Bond is **One Million One Hundred Seventy-Five Thousand Two Hundred Eighty-Two Dollars and 21/100 (\$1,175,282.21)**, which is 50% of the Total Cost of the Improvements.

DATED: 3-25-11



[Signature]
 David R. Crosariol, RCE 34520
 C. T. A. Engineering & Surveying
 3233 Monier Circle
 Rancho Cordova, CA 95742

ACCEPTED BY THE COUNTY OF EL DORADO

DATED: 4/18/11

[Signature]
 James W. Ware, P.E.
 Director of Transportation