

Replacing Federal Insurance Bond #82044783

Executed in Duplicate

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

PERFORMANCE BOND AGREEMENT FORM

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

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

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

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

Performance Bond (continued)

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

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

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

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

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

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Placer } ss.

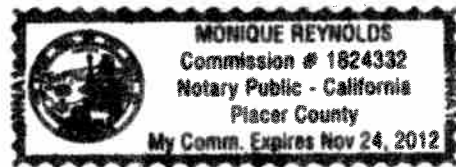
On July 20, 2009 before me, Monique Reynolds, Notary Public, personally appeared Larry Gualco

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/hers/their authorized capacity(ies), and that by his/hers/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Monique Reynolds Signature My Commission Expires Nov. 24, 2012



OPTIONAL INFORMATION

Date of Document

Type or Title of Document

Number of Pages in Document

Document in a Foreign Language

Type of Satisfactory Evidence:

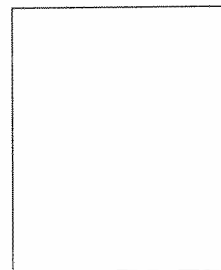
- Personally Known with Paper Identification
Paper Identification
Credible Witness(es)

Capacity of Signer:

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

Other Information:

Thumbprint of Signer



Check here if no thumbprint or fingerprint is available.


Performance Bond (continued)

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

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

"Surety"

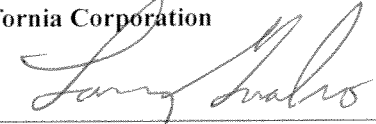
SAFECO INSURANCE COMPANY OF AMERICA

By:  _____

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

"Principal"

LENNAR COMMUNITIES, INC.
a California Corporation

By:  _____

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

NOTARIES ATTACHED

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange

}

On 7/22/2009 before me, K. Luu, Notary Public
Date Here Insert Name and Title of the Officer

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

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature [Signature]
Signature of Notary Public

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Lisa K Crail

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



Signer Is Representing: _____

Signer's Name: _____

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



Signer Is Representing: _____



POWER OF ATTORNEY

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

No. 9675

KNOW ALL BY THESE PRESENTS:

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

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

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

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

this 21st day of March, 2009

[Signature of Dexter R. Legg]

[Signature of Timothy A. Mikolajewski]

Dexter R. Legg, Secretary

Timothy A. Mikolajewski, Vice President

CERTIFICATE

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

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

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

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

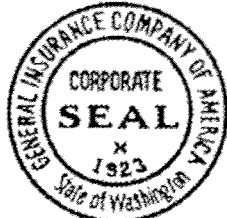
- (i) The provisions of Article V, Section 13 of the By-Laws, and
(ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
(iii) Certifying that said power-of-attorney appointment is in full force and effect,

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

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

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

this 22nd day of July, 2009



[Signature of Dexter R. Legg]

Dexter R. Legg, Secretary

Replacing Federal Insurance Bond #82044783

Executed in Duplicate

Bond No. 6547251
Premium Included in Performance Bond

LABORERS AND MATERIALMENS BOND FORM

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

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

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

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

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

Laborers and Materialmens Bond (continued)


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

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

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

“Surety”


SAFECO INSURANCE COMPANY OF AMERICA

By: 

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

“Principal”

LENNAR COMMUNITIES, INC.
a California Corporation

By: 

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

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

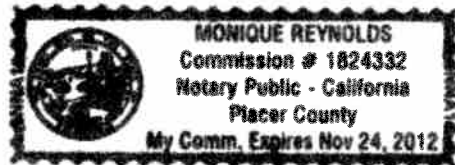
County of Placer } ss.

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

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/hers/their authorized capacity(ies), and that by his/hers/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.

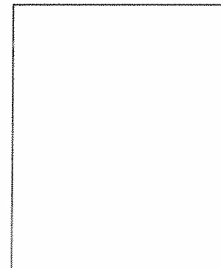


Signature: Monique Reynolds
My Commission Expires Nov. 24, 2012

OPTIONAL INFORMATION

Date of Document
Type or Title of Document: West Valley 4 Lam bond
Number of Pages in Document
Document in a Foreign Language
Type of Satisfactory Evidence:
Capacity of Signer:
Other:

Thumbprint of Signer



Check here if no thumbprint or fingerprint is available.

Other Information:

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange



On 7/22/2009
Date

before me,

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

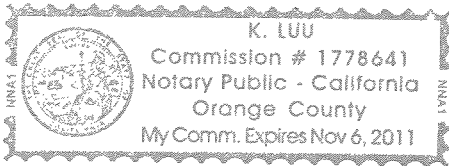
personally appeared

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

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

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WITNESS my hand and official seal.



Place Notary Seal Above

Signature

Signature of Notary Public

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Lisa K Crail

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

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____

Signer's Name: _____

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

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____



POWER OF ATTORNEY

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

No. 9675

KNOW ALL BY THESE PRESENTS:

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

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

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

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

this 21st day of March, 2009

Dexter R. Legg

T. Mikolajewski

Dexter R. Legg, Secretary

Timothy A. Mikolajewski, Vice President

CERTIFICATE

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

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

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

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

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

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

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

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

this 22nd day of July, 2009



Dexter R. Legg

Dexter R. Legg, Secretary