

**Bond No.** 8734511  
**Premium** \$2,930.00

**PERFORMANCE BOND AGREEMENT FORM**

Whereas, the Board of Supervisors of the County of El Dorado, the State of California, and **K. HOVNANIAN FORECAST HOMES, 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 12/13, 2005, and identified as project **Euer Ranch, Unit 8 – TM04-1389** 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 Fidelity and Deposit Company of Maryland (hereinafter designated as "Surety"), are held and firmly bound unto the County of El Dorado, as Oblige, in the penal sum of **Three Hundred Ninety Thousand, Seven Hundred Twenty Five Dollars and zero cents (\$390,725.00)** 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 conditions 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.

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.

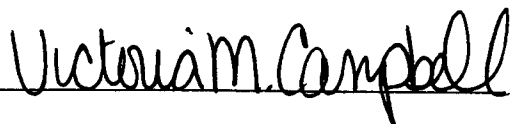
The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work performed thereunder or the specifications accompanying the same shall in any ways affect its obligations on this bond, and it does hereby waive notice of any 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 November 2nd, 2005.

**"Surety"**

Fidelity and Deposit Company  
of Maryland

By




Victoria M. Campbell  
Print Name      Attorney-in-Fact

**"Principal"**

K. HOVNANIAN FORECAST HOMES, INC.  
a California Corporation

By

 11-3-05  
Richard J. Balestrieri, Vice President  
1796 Tribute Road, Suite 100  
Sacramento, CA 95815

**NOTARIES ATTACHED**

**CALIFORNIA ALL-PURPOSE KNOWLEDGMENT**

State of California

County of Orange

On NOV 02 2005 before me, Paris Shahabi, Notary Public  
Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Victoria M. Campbell  
Names) 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.



WITNESS my hand and official seal.

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: \_\_\_\_\_

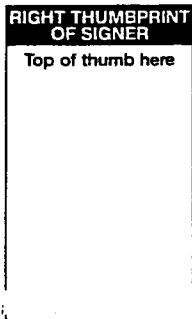
Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

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

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

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

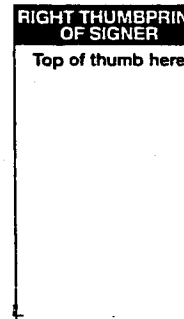
- Individual
- Corporate Officer
- Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



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: \_\_\_\_\_

State of California  
County of Sacramento } ss.

# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

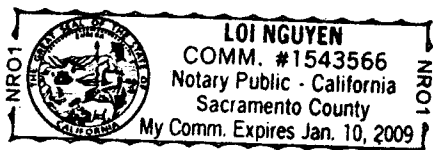
On November 3, 2005, before me, Loi Nguyen,  
Date Printed Name of Notary Public

personally appeared Richard J. Balestreri,  
Printed Name(s) of Signer(s)

- personally known to me - or -  
 proved to me on the basis of satisfactory evidence:  
 form(s) of identification \_\_\_\_\_  
 credible witness(es) \_\_\_\_\_

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

WITNESS my hand and official seal.



(Seal)

Signature of Notary Public

## OPTIONAL INFORMATION

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document.

### Description of Attached Document

The preceding Certificate of Acknowledgment is attached to a document titled/for the purpose of Subdivision Improvement Agreement

containing \_\_\_\_\_ pages, and dated \_\_\_\_\_

The signer(s) capacity or authority is/are as:

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

representing: \_\_\_\_\_  
Name(s) of Person(s) or Entity(ies) Signer is Representing

<b>Additional Information</b>	
<input type="checkbox"/> Additional Signer(s)	<input type="checkbox"/> Signer(s) Thumbprint(s)
<input type="checkbox"/> Other	