Bond No.

8734485

Premium

\$74,016.00

## 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 Queyed 23, 2004, and identified as project Euer Ranch, Unit 6 - TM96-1317 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 <u>Fidelity and Deposit Company of Maryland</u> (hereinafter designated as "Surety"), are held and firmly bound unto the County of El Dorado, as Obligee, in the penal sum of Nine Million, Eight Hundred Sixty Eight Thousand, Seven Hundred Seventy Six Dollars and zero cents (\$9,868,776.00) 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

## CALIFORNIA ALL-PURPOSI CKNOWLEDGMENT

	ifornia		
County of <u>Ora</u>	nge		
On	2 5 2005	before me,	Melissa A. Covarrubias, Notary Public , Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appea	redVicto	oria M. Campbe	
Personally knows	MELISSA A. COVAR Commission # 15 Notary Public - Co Orange Coul My Comm. Expires Mo	RRUBIAS 62658 Z Cultionica \$	e 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
Though the infon		quired by law, it may p	PTIONAL  prove valuable to persons relying on the document and could prevent ament of this form to another document.
Description o	fraudulent	quired by law, it may p removal and reattach	prove valuable to persons relying on the document and could prevent
Description of Title or Type of I	fraudulent  f Attached Doc  Document:	quired by law, it may p removal and reattach	prove valuable to persons relying on the document and could prevent inment of this form to another document.
Description of I	fraudulent  f Attached Doc  Document:	quired by law, it may p removal and reattach :ument	prove valuable to persons relying on the document and could prevent imment of this form to another document.
Description of Title or Type of It  Document Date:  Signer(s) Other	fraudulent  f Attached Doc  Document:	quired by law, it may p removal and reattach :ument	prove valuable to persons relying on the document and could prevent nament of this form to another document.  Number of Pages:
Description of Dittle or Type of Document Date: Signer(s) Other Capacity(ies)	fraudulent  If Attached Doc  Document:  Than Named Abov	quired by law, it may premoval and reattach cument re:	prove valuable to persons relying on the document and could prevent nament of this form to another document.  Number of Pages:
Description of Title or Type of Topocument Date: Signer(s) Other Capacity(ies) Signer's Name: Individual Corporate Of Title(s): Partner —  Attorney-in-F Trustee Guardian or O	fraudulent  If Attached Doc  Document:  Than Named Abov  Claimed by Sig  Ificer  Limited  Gene  Fact	quired by law, it may premoval and reattach sument re: gner(s)	Signer's Name:    Individual   Corporate Officer   Title(s):   Partner — Limited   General   Attorney-in-Fact   Trustee   Guardian or Conservator

~	ALIFORNIA ALL-PURPOSE FICATE OF ACKNOWLEDGMENT
May 26, 2005 , before me.	Loi Nguyen
ersonally appeared Richard J.	the part of the pa
personally known to me - or -	er et Gesterns.
proved to me on the basis of satisfactory evidence:	
form(s) of identification	
credible witness(es)  be the person(s) whose name(s) is/are subscribed to the witle	ain instrument and asknowledged to me
nat he/she/they executed the same in his/her/their authorize gnature(s) on the instrument the person(s), or the entity up xecuted the instrument.	d capacity(ies), and that by his/her/their
LOI NGUYEN	
COMM. #1543566 Z Notary Public · California 2	1800100
Sacramento County My Comm Expires Jan. 10, 2009	
Tool	<b>\( \)</b>
(Seal)  OPTIONAL INFORMA'  Although the information in this section is not required by law, it could packnowledgment to an unauthorized document and may prove useful I	nevem fraudulent removal and reattachment of th
OPTIONAL INFORMA	nievent fraudulent removal and reattachment of th o persons relying on the attached document.
OPTIONAL INFORMA' Although the information in this section is not required by law, it could packnowledgment to an unauthorized document and may prove useful to Description of Attached Document	nievent fraudulent removal and reattachment of th o persons relying on the attached document.
OPTIONAL INFORMA  Although the information in this section is not required by law, it could packnowledgment to an unauthorized document and may prove useful to Description of Attached Document  The preceding Certificate of Acknowledgment is attached to a docur	nevent fraudulent removal and reattachment of th o persons relying on the attached document.  nent Additional information  Additional ingress Stances, thatter articles
OPTIONAL INFORMA' Although the information in this section is not required by law, it could packnowledgment to an unauthorized document and may prove useful to Description of Attached Document The preceding Certificate of Acknowledgment is attached to a docur titled/for the purpose of	nevent fraudulent removal and reattachment of th o persons relying on the attached document.  nent Additional information  Additional ingress Stances, thatter articles
OPTIONAL INFORMA  Although the information in this section is not required by law, it could packnowledgment to an unauthorized document and may prove useful to Description of Attached Document  The preceding Certificate of Acknowledgment is attached to a document dittled/for the purpose of	nevent fraudulent removal and reattachment of th o persons relying on the attached document.  nent Additional information  Additional ingress Stances, thatter articles
OPTIONAL INFORMA  Although the information in this section is not required by law, it could packnowledgment to an unauthorized document and may prove useful to Description of Attached Document  The preceding Certificate of Acknowledgment is attached to a document attached attached to a document attached to a document attached to a document attached to a document attached attached to a document attached attached to a document attached attac	nevent fraudulent removal and reattachment of th o persons relying on the attached document.  nent Additional information  Additional ingress Stances, thatter articles
OPTIONAL INFORMA  Although the information in this section is not required by law, it could packnowledgment to an unauthorized document and may prove useful to Description of Attached Document  The preceding Certificate of Acknowledgment is attached to a document dittled/for the purpose of the signer(s) capacity or authority is/are as:  I individuals:	nevent fraudulent removal and reattachment of th o persons relying on the attached document.  nent Additional information  Additional ingress Stances, thatter articles
OPTIONAL INFORMA  Although the information in this section is not required by law, it could packnowledgment to an unauthorized document and may prove useful to Description of Attached Document  The preceding Certificate of Acknowledgment is attached to a document distinct the purpose of titled/for the purpose of titled/for the purpose of the signer(s) capacity or authority is/are as:	nevent fraudulent removal and reattachment of th o persons relying on the attached document.  nent Additional information  Additional ingress Stances, thatter articles
Although the information in this section is not required by law, it could packnowledgment to an unauthorized document and may prove useful to Description of Attached Document  The preceding Certificate of Acknowledgment is attached to a document attitled/for the purpose of  containing pages, and dated  The signer(s) capacity or authority is/are as:    individuals:   Anomey in fact   Corporate Otherits	nevent fraudulent removal and reattachment of th o persons relying on the attached document.  nent Additional information  Additional ingress Stances, thatter articles
Although the information in this section is not required by law, it could packnowledgment to an unauthorized document and may prove useful in Description of Attached Document  The preceding Certificate of Acknowledgment is attached to a document distribution of the purpose of titled/for the purpose of t	nevent fraudulent removal and reattachment of th o persons relying on the attached document.  nent Additional information  Additional ingress Stances, thatter articles
Although the information in this section is not required by law, it could packnowledgment to an unauthorized document and may prove useful to Description of Attached Document  The preceding Certificate of Acknowledgment is attached to a document attitled/for the purpose of  containing pages, and dated  The signer(s) capacity or authority is/are as:    individuals:   Anomey in fact   Corporate Otherits	nevent fraudulent removal and reattachment of th o persons relying on the attached document.  nent Additional information  Additional ingress Stances, thatter articles
Although the information in this section is not required by law, it could packnowledgment to an unauthorized document and may prove useful to Description of Attached Document  The preceding Certificate of Acknowledgment is attached to a document attitled/for the purpose of  containing pages, and dated  The signer(s) capacity or authority is/are as:    individuality     Authority infact     Corporate Otherist     Facture(s)     Capacity or authority is/are as:   Inchin(s)     Corporate Otherist     Capacity or authority is/are as:   Inchin(s)     Corporate Otherist	nevent fraudulent removal and reattachment of th o persons relying on the attached document.  nent Additional information  Additional ingress Stances, thatter articles
Although the information in this section is not required by law, it could packnowledgment to an unauthorized document and may prove useful to Description of Attached Document  The preceding Certificate of Acknowledgment is attached to a document dittled/for the purpose of  containing pages, and dated  The signer(s) capacity or authority is/are as:    individuality   Anomey infact     Corporate Officerist   Selection of the purpose of     Capacity infact     Capa	nevent fraudulent removal and reattachment of th o persons relying on the attached document.  nent Additional information  Additional ingress Stances, thatter articles