

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

804B



FROM: TLMA - Transportation Department

SUBMITTAL DATE:
May 13, 2010

SUBJECT: Tract 32628, Subdivision Improvement Takeover Agreement, Third Supervisorial District

RECOMMENDED MOTION: That the Board of Supervisors approve the attached Takeover Agreement which allows International Fidelity Insurance Company to complete the subdivision improvements necessary for public health and safety in place of the defaulted developer.

BACKGROUND: On October 16, 2007, pursuant to Government Code Section 66462, the County of Riverside and BC Christensen Ranch LLC entered into Subdivision Improvement Agreements for the construction of streets and the installation of water and sewer systems within the above referenced subdivision. Faithful Performance and Material & Labor Bonds were posted by International Fidelity Insurance Company to guarantee the completion of the improvements within the subdivision. The required improvements have only been partially completed in accordance with the approved plans, and BC Christensen Ranch, LLC abandoned the project and defaulted on the Subdivision Improvement Agreements.

On October 18, 2008 the Transportation Department issued a Notice of Default to BC Christensen Ranch, LLC, notifying BC Christensen Ranch, LLC and its surety International Fidelity Insurance Company of the default. The County also made a demand upon International Fidelity Insurance Company, as surety under subdivision bonds, to complete the bonded improvements within the subdivision and to pay BC Christensen Ranch, LLC's subcontractors.

Given that the subdivision has not yet been developed, no residential dwelling units have been

Juan C. Perez
Director of Transportation

HS
Attachments:

REVIEWED BY EXECUTIVE OFFICE

DATE 5/13/10
Tina Grande

FORM APPROVED COUNTY COUNSEL
BY: ELENA M. BOEVA DATE 5/12/10
ELENAM BOEVA Department

Policy
 Policy

Consent
 Consent

Dept Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref. | District: 3 | Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.60

The Honorable Board of Supervisors

RE: Tract 32628, Subdivision Improvement Takeover Agreement, Third Supervisorial District

May 26, 2010

Page 2 of 2

constructed or will be constructed on the above reference tract in the near future. Therefore only the improvements necessary for the safety and welfare of the surrounding public need to be presently installed. International Fidelity Insurance Company has agreed to take over and procure completion of the improvements necessary for the safety and welfare of the surrounding public, which include curb-to-curb completion of street improvements along Antelope Road and Craig Road and a traffic signal at the Antelope/Craig intersection.

Tract 32628 is now within the City of Menifee. The County initiated the bond enforcement action prior to the incorporation due to the expiration of the subdivision improvement agreements and the public need. The City of Menifee concurs with this action, and will require a future developer of the subdivision to construct the remaining improvements conditioned of Tract 32628.

**SURETY'S AGREEMENT TO TAKE OVER AND PROCURE
COMPLETION OF AGREED SCOPE OF WORK FOR
WORK OF IMPROVEMENT – TRACT NO. 32628**

This Surety's Agreement To Take Over And Procure Completion Of Agreed Scope Of Work For Work Of Improvement – Tract No. 32628 (hereafter referred to as "Takeover Agreement"), is made and entered into by and between the County of Riverside, a public entity acting by the authority of its Board of Supervisors (hereafter referred to as "County") and International Fidelity Insurance Company (hereafter referred to as "IFIC"), effective on the date this Takeover Agreement is approved by the County's Board of Supervisors (hereinafter "Effective Date").

Recitals

A. **WHEREAS**, on or about October 16, 2007, County and BC Christensen Ranch, LLC (hereafter referred to as "Developer") entered into the following separately identified written agreements for the completion of specified public improvements for that land subdivision known as Tract No. 32628 (hereafter the "Bonded Project"):

- A.1. Agreement for the Construction of Road/Drainage Improvements (hereafter referred to as "Road/Drainage Improvement Contract");
- A.2. Agreement for the Construction of Water System Improvements (hereafter referred to as "Water Improvement Contract");
- A.3. Agreement for the Construction of Sewer System Improvements (hereafter referred to as "Sewer Improvement Contract"); and
- A.4. Agreement for the Placement of Survey Monuments (hereafter referred to as "Monument Placement Contract").

(The agreements referenced in paragraphs A.1 through A.4 shall collectively be referred to as the "Subdivision Improvement Agreements.") True and correct copies of the Subdivision Improvement Agreements are incorporated herein by reference and are attached hereto as Exhibit "A".

B. **WHEREAS**, on or about August 17, 2007, IFIC executed the following Faithful Performance and Material and Labor Bonds corresponding to each of the foregoing Subdivision Improvement Agreements:

- B.1. Faithful Performance Bond No. 0455242 in the penal sum of \$4,186,500 (hereafter referred to as "Streets/Drainage Performance Bond") and Material and Labor Bond No. 0455242 in the penal sum of \$2,583,000 (hereafter referred to as "Streets/Drainage Payment Bond");
- B.2. Faithful Performance Bond No. 0455243 in the penal sum of \$350,000 (hereafter referred to as "Water Performance Bond") and Material and Labor Bond No. 0455243 in the penal sum of \$175,000 (hereafter referred to as "Water Payment

Bond”);

- B.3. Faithful Performance Bond No. 0455244 in the penal sum of \$117,000 (hereafter referred to as “Sewer Performance Bond”) and Material and Labor Bond No. 0455244 in the penal sum of \$58,500 (hereafter referred to as “Sewer Payment Bond”); and
- B.4. Subdivision Monument Bond No. 0455245 in the penal sum of \$25,300 (hereafter referred to as “Monument Bond”).

(The Faithful Performance Bonds referenced in paragraphs B.1 through B.3 shall collectively be referred to as the “Performance Bonds.” The Subdivision Monument Bond referenced in paragraph B.4 shall be referred to as the “Monument Bond.” The Material and Labor Bonds referenced in paragraphs B.1 through B.3 shall collectively be referred to as the “Payment Bonds.” The Performance, Monument and Payment Bonds shall collectively be referred to as the “Subdivision Improvement Bonds.”) True and correct copies of the Subdivision Improvement Bonds are incorporated herein by reference and are attached hereto as Exhibit “B”.

C. **WHEREAS**, the Subdivision Improvement Agreements and Subdivision Improvement Bonds were accepted and approved by the Board of Supervisors for County on October 16, 2007.

D. **WHEREAS**, on or about October 28, 2008, County, through its Transportation Department, issued a Notice of Default letter to Developer notifying Developer and IFIC that it considered Developer to be in default of Developer’s obligations under the Subdivision Improvement Agreements.

E. **WHEREAS**, subsequent to the Notice of Default letter, County made demand upon IFIC, as surety under the Subdivision Improvement Bonds to complete the bonded improvements and to pay the Developer’s subcontractors.

F. **WHEREAS**, County and IFIC are informed and believe that the Bonded Project will not be developed by Developer at the present time or in the near future.

G. **WHEREAS**, County will not require the completion of all work specified by the plans associated with Subdivision Improvement Agreements at this time but does require the completion of those improvements which are necessary for the safety and welfare of the surrounding public.

H. **WHEREAS**, County and IFIC have mutually agreed upon a scope of work to be completed by IFIC, its contractors, agents, and assignees at this time which includes and is limited to the scope of work identified in the “Agreed Scope of Work,” attached hereto as Exhibit “C”, and incorporated herein by this reference.

NOW, THEREFORE, in consideration of the agreements and undertakings hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, IFIC and County agree to the following terms and conditions:

Terms & Conditions

1. Incorporation of Recitals

1.1. The foregoing Recitals are true and correct and are incorporated by this reference as if fully set forth in the Terms and Conditions of this Takeover Agreement.

2. Fulfillment of Performance Bond Obligations

2.1. In satisfaction of all obligations under the Subdivision Improvement Bonds, IFIC shall, at its sole cost and expense, contract and retain the services of licensed contractors to complete the Agreed Scope of Work in accordance with the plans approved by County for Tract No. 32628 and the Subdivision Improvement Agreements, Exhibit "A".

2.2. Both County and IFIC agree that the specific improvements identified in the Agreed Scope of Work, Exhibit "C", shall constitute the improvements required for the completion and acceptance of the work required by the County under the Subdivision Improvement Agreements.

2.3. IFIC agrees to maintain the completed improvements required under the Agreed Scope of Work for a period of one year following acceptance by the County, and during this one year period to repair or replace, to the satisfaction of the County, any defective work or labor done or defective materials furnished, as required by the County under the Subdivision Improvement Agreements, Exhibit "A".

3. Changes to Agreed Scope of Work

3.1. County and IFIC do not anticipate and/or expect any changes to the Agreed Scope of Work. Any deviations from the Agreed Scope of Work shall require the prior approval by written consent signed by both County and IFIC.

4. Liability of IFIC Under Subdivision Improvement Bonds

4.1. Performance Bonds. Subject to the terms and conditions set forth herein, and pending completion of the Agreed Scope of Work, acceptance by the County of the Agreed Scope of Work, and one-year maintenance by IFIC and its contractors, agents and assigns of the improvements required under the Agreed Scope of Work, the Performance Bonds shall remain in full force and effect in accordance with their terms and provisions; provided, however that IFIC's performance obligation hereunder is limited to the penal sum and scope of each respective Performance Bond as follows:

4.1.1. The sum of \$4,186,500 for the Streets/Drainage Performance Bond

4.1.2. The sum of \$350,000 for the Water Performance Bond

4.1.3. The sum of \$117,000 for the Sewer Performance Bond

4.2. Upon completion of the Agreed Scope of Work, and acceptance by the County of the work required under the Agreed Scope of Work by IFIC and its contractors, agents and assigns of the improvements required under the Agreed Scope of Work as provided under the Subdivision Improvement Agreements and Subdivision Improvement Bonds, the County shall reduce the Performance Bonds by ninety percent (90%) in accordance with the provisions of County of Riverside Ordinance 460 and Government Code §§66499.7 and 66499.9.

4.3. Upon completion of the one-year maintenance by IFIC and its contractors, agents and assigns of the improvements required under the Agreed Scope of Work as provided under the Subdivision Improvement Agreements and Subdivision Improvement Bonds, the County shall release the remaining balance of Performance Bonds in accordance with the provisions of County of Riverside Ordinance 460 and Government Code §§66499.7 and 66499.9.

4.4. Payment Bonds. The Payment Bonds shall remain in full force and effect in accordance with their terms and provisions for purposes of the potential claims of third party beneficiaries of the Payment Bonds. The total liability of IFIC under the Payment Bonds is limited to, and shall not exceed, the penal amount of the Payment Bonds. Nothing set forth herein is intended nor shall be construed to increase the scope of IFIC's liability, if any, under the Payment Bonds, nor waive any rights or defenses which may otherwise be available to IFIC.

4.5. Payment Bonds shall be reduced and released in accordance with the provisions of County of Riverside Ordinance 460 and Government Code §66499.7(h).

4.6. Monument Bond. Monument Bond, No. 0455245, in the amount of \$25,300.00, shall remain in full force and effect in accordance with its terms and provisions until such time as IFIC forfeits the penal sum of the Monument Bond. IFIC shall forfeit the penal sum of the Monument Bond in the amount of \$25,300.00 and remit payment of same to the County within thirty (30) days of the date the County accepts the completed work required under the Agreed Scope of Work. Upon payment of the penal sum of the Monument Bond, the County shall cancel, release and return the original Monument Bond to IFIC.

5. County's and IFIC's Obligations With Respect to the Agreed Scope of Work

5.1. For purposes of completing the Agreed Scope of Work, the County and IFIC shall have all rights, obligations, and responsibilities under the Subdivision Agreements with respect to each other, to the same extent and effect as if IFIC had executed the Subdivision Agreements initially, except to the extent limited by the terms of this Agreement.

6. Indemnification by IFIC

6.1. IFIC shall indemnify, defend and save harmless the County and its officers, agents, and employees from any and all liability, claims, demands, suits, or causes of action for damages arising out of the completion of the Agreed Scope of Work undertaken by IFIC pursuant to this Takeover Agreement, up to the penal sums of the Performance Bonds. This section shall survive the termination of this agreement.

7. Assignment of Claims

7.1. The parties hereby represent to each other that they have not heretofore assigned, transferred, pledged, or hypothecated, or purported to assign, transfer, pledge, or hypothecate, to any person, entity or individual, any of the rights or obligations set forth in the Subdivision Improvement Agreements, Subdivision Improvement Bonds or this Takeover Agreement.

8. Non-Admission

8.1. This Takeover Agreement represents a compromise of claims and shall not be construed as an admission by any party of any liability or of any contention or allegation made by any other party.

9. Attorneys Fees and Costs

9.1. Each party hereto shall bear its own costs and attorneys' fees regarding the negotiation, drafting and consummation of this Takeover Agreement.

9.2. In the event it is necessary for County to initiate legal action to enforce this Takeover Agreement, the County shall be entitled to recover from IFIC the reasonable attorneys' fees and costs incurred by the County in successfully enforcing this Takeover Agreement, and if the County shall recover judgment in any such action, the reasonable costs, expenses (including those of expert witnesses) and the reasonable attorney's fees shall be included in and as part of the judgment as provided under the Subdivision Improvement Agreements and Subdivision Improvement Bonds.

9.3. In the event it is necessary for County to initiate legal action to enforce the Subdivision Improvement Bonds against IFIC, County shall be entitled to recover from IFIC the reasonable attorneys' fees and costs incurred by County, and if judgment is entered in favor of County in such action, the reasonable costs, expenses (including those of expert witnesses) and attorneys' fees shall be included in and as part of the judgment as provided under the Subdivision Improvement Agreements and Subdivision Improvement Bonds.

9.4. The parties agree that the provisions of paragraphs 9.2 and 9.3 are not intended and shall not be construed to limit, modify or alter any right of any party to seek recovery of costs and expenses, including attorneys' fees, as may be permitted or authorized by contract or law.

10. Binding Effect

10.1. This Takeover Agreement, and the releases contained herein, shall bind and inure to the benefit of the principals, agents, representatives, successors, and assigns of the parties hereto.

11. Entire Agreement

11.1. Except as stated herein, this Takeover Agreement represents the entire agreement among the parties hereto and supersedes all prior negotiations, representations or agreements

among the parties, either written or oral, on the subject hereof. This Takeover Agreement may be amended only by written instrument designated as an amendment to this Takeover Agreement and executed by each of the parties hereto.

12. Voluntary Agreement With Advice of Counsel

12.1. Each of the parties hereto has entered into this Takeover Agreement freely and voluntarily and after having consulted with counsel and having had the terms hereof explained to them by counsel. The parties appreciate and understand the terms hereof and are fully satisfied with the settlement set forth herein.

13. Governing Law

13.1. The Takeover Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California.

14. Construction and Captions

14.1. Each party hereto has contributed to the drafting of this Takeover Agreement and no provision of this Takeover Agreement shall be construed against any party or its counsel merely because such party or counsel drafted such provision. In other words, this Takeover Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing the settlement agreement to be drafted.

14.2. Any captions to the paragraphs or the subparagraphs of this Takeover Agreement are solely for the convenience of the parties, are not a part of this Takeover Agreement, and shall not be used for the interpretation or determination of the validity of this Takeover Agreement or any provision thereof.

15. Authorization to Enter into Takeover Agreement

15.1. The parties hereto expressly represent that by affixing their respective signatures hereto, each is authorized to execute this Takeover Agreement.

16. Execution in Counterparts

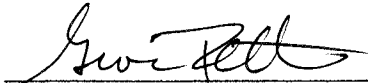
16.1. This Takeover Agreement may be executed in counterparts and by facsimile. Each of said counterparts, when so executed and delivered, shall be deemed an original and, when taken together, shall constitute but one and the same instrument. A facsimile signature shall be deemed an original for the purposes of this Takeover Agreement.

IN WITNESS WHEREOF, the parties hereto duly execute this Takeover Agreement on the date set forth as follows, to be effective as provided herein above.

[SIGNATURES ON THE FOLLOWING PAGE]

Dated: February 8, 2010

**INTERNATIONAL FIDELITY
INSURANCE COMPANY**

By 
George Rettig
Assistant Vice President, Claims Counsel

Dated: February , 2010

COUNTY OF RIVERSIDE

By _____
Marion Ashley
Chairman, Board of Supervisors


ATTEST:

KECIA HARPER-IHEM
Clerk of the Board

By _____
Deputy

APPROVED AS TO FORM

PAMELA J. WALLS, County Counsel

By 
Elena M. Boeva
Deputy County Counsel

ROBINS, KAPLAN, MILLER & CIRESI L.L.P.

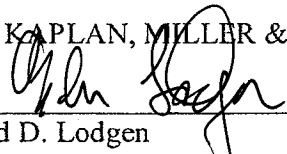
By 
Edward D. Lodgen
Attorneys for International Fidelity
 Insurance Company

Exhibit A - Subdivision Improvement Agreements

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: TLMA – Transportation Dept.


417B

SUBMITTAL DATE:
October 15, 2007

SUBJECT: Approval of **Tract 32628**
A Schedule "A" Subdivision in the Menifee Area

RECOMMENDED MOTION: That the Board approve the Improvement Agreements and Securities as approved by County Counsel, approve the final map and authorize the Chairman to sign the Maintenance Agreement and map for Tract 32628.

BACKGROUND: This map complies in all respects with the provisions of Division 3 of Title 15 of the Government Code and applicable local ordinances. The developer desires to enter into Improvement Agreements to guarantee the construction of the required improvements and has submitted Improvement Agreements and Securities which have been approved by County Counsel.


George A. Johnson
Director of Transportation

HS:lf
Submittals: Final Map
Road/Drainage Agrmts
Water System Agrmts
Sewer System Agrmts
Survey Monument Agrmts

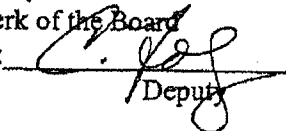
REVIEWED BY EXECUTIVE OFFICE
DATE 10/15/07
Ilina Grande
Departmental Conference

Consent Policy
 Consent Policy

MINUTES OF THE BOARD OF SUPERVISORS

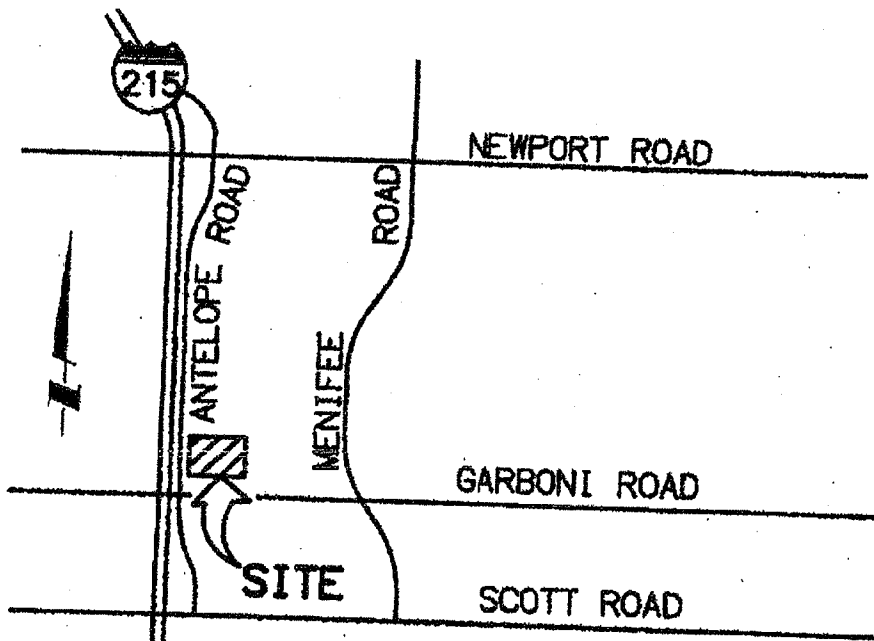
On motion of Supervisor Buster, seconded by Supervisor Wilson and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Wilson and Ashley
Nays: None
Absent: Stone
Date: October 16, 2007
xc: Transp., COB

Nancy Romero
Clerk of the Board
By: 
Deputy

Dept'l Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.:	District: 3	Agenda Number:
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VICINITY MAP

TR 32628.

SEC. 11 TWP. 6S RNG. 3W

Supervisory District: 3 (Jeff Stone)

**AGREEMENT
FOR THE CONSTRUCTION OF ROAD/DRAINAGE IMPROVEMENTS**

This agreement, made and entered into by and between the County of Riverside, State of California, hereinafter called County, and BC Christensen Ranch, LLC hereinafter called Contractor.

WITNESSETH:

FIRST: Contractor, for and in consideration of the approval by County of the final map of that certain land division known as Tract 32628, hereby agrees, at Contractor's own cost and expense, to furnish all labor, equipment and materials necessary to perform and complete, within 24 months from the date this agreement is executed, in a good and workmanlike manner, all road and drainage improvements in accordance with those Road Plans for said land division which have been approved by the County Director of Transportation, and are on file in the office of the Riverside County Transportation Department, and do all work incidental thereto in accordance with the standards set forth in Riverside County Ordinance No. 461, as amended, which are hereby expressly made a part of this agreement. All the above required work shall be done under the inspection of and to the satisfaction of the County Director of Transportation, and shall not be deemed complete until approved and accepted as complete by the County. Contractor further agrees to maintain the above required improvements for a period of one year following acceptance by the County, and during this one year period to repair or replace, to the satisfaction of the Director of Transportation, any defective work or labor done or defective materials furnished. Contractor further agrees that all underground improvements shall be completed prior to the paving of any roadway. The estimated cost of said work and improvements is the sum of Four million one hundred eighty-six thousand five hundred and no/100 Dollars (\$4,186,500.00).

SECOND: Contractor agrees to pay to County the actual cost of such inspections of the work and improvements as may be required by the Director of Transportation. Contractor further agrees that, if suit is brought upon this agreement or any bond guaranteeing the completion of the road and drainage improvements, all costs and reasonable expenses and fees incurred by County in successfully enforcing such obligations shall be paid by Contractor, including reasonable attorney's fees, and that, upon entry of judgment, all such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

THIRD: County shall not, nor shall any officer or employee of County, be liable or responsible for any accident, loss or damage happening or occurring to the works specified in this agreement prior to the completion and acceptance thereof, nor shall County or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Contractor, his agents or employees, in the performance of the work, and all or said liabilities are assumed by Contractor. Contractor agrees to protect, defend, and hold harmless County and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Contractor, his agents and employees, in the performance of this agreement or arising out of the use of any patent or patented article in the performance of this agreement.

FOURTH: The Contractor hereby grants to County, or any agent or employee of County, the irrevocable permission to enter upon the lands of the subject land division for the purpose of completing the improvements. This permission shall terminate in the event that Contractor has completed work within the time specified or any extension thereof granted by the County.

FIFTH: The Contractor shall provide adequate notice and warning to the traveling public of each and every hazardous or dangerous condition caused or created by the construction of the works of improvement at all times up to the completion and formal acceptance of the works of improvement. The Contractor shall protect all persons from such hazardous or dangerous conditions by use of traffic regulatory control methods, including, but not limited to, stop signs, regulatory signs or signals, barriers, or detours.

SIXTH: Contractor, his agents and employees, shall give notice to the Director of Transportation at least 48 hours before beginning any work and shall furnish said Director of Transportation all reasonable facilities for obtaining full information with respect to the progress and manner of work.

SEVENTH: If Contractor, his agents or employees, neglects, refuses, or fails to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time which have been granted by County, or if Contractor violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this agreement and notice of such default shall be served upon him. County shall have the power, on recommendation of the Director of Transportation, to terminate all rights of Contractor because of such default. The determination by the Director of Transportation of the question as to whether any of the terms of the agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Contractor, and any and all parties who may have any interest in the agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to County under law. The failure of the Contractor to commence construction shall not relieve the Contractor or surety from completion of the improvements required by this agreement.

EIGHTH: Contractor agrees to file with County, prior to the date this agreement is executed, a good and sufficient improvement security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this agreement, and good and sufficient security for payment of labor and materials in the amount prescribed by Article XVII of Riverside County Ordinance 460 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. Contractor agrees to renew each and every said bond or bonds with good and sufficient sureties or increase the amount of said bonds, or both, within ten (10) days after being notified by the Director of Transportation that the sureties or amounts are insufficient. Notwithstanding any other provisions herein, if Contractor fails to take such action as is necessary to comply with said notice, he shall be in default of this agreement unless all required improvements are completed within ninety (90) days of the date on which the Director of Transportation notified Contractor of the insufficiency of the security or the amount of the bonds or both.

NINTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds securing this agreement, that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this agreement, extensions of time may be granted, from time to time, by County, either at its own option, or upon request of Contractor, and such extensions shall in no way affect the validity of this agreement or release the surety or sureties on such bonds. Contractor further agrees to maintain the aforesaid bond or bonds in full force and effect during the terms of this agreement, including any extensions of time as may be granted therein.

TENTH: It is understood and agreed by the parties hereto that if any part, term or provision of this agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain that particular part, term or provision held to be invalid.

ELEVENTH: Any notice c otices required or permitted to be give.. pursuant to this agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

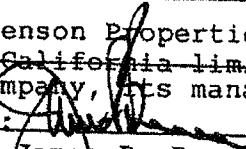
County

Contractor

Construction Engineer
Riverside County Transportation Dept.
2950 Washington Street
Riverside, CA 92504

BC Christensen Ranch, LLC
17140 Bernardo Ctr Dr. #380
San Diego, CA 92128

IN WITNESS WHEREOF, Contractor has affixed his name, address and seal.

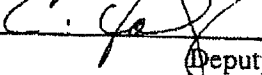
BC Christensen Ranch, LLC
By a California limited liability
company
Title BY: Brenson Properties, LLC
a California limited liability
company, its managing member
By BY: 
James P. Brennan, manager
Title _____

COUNTY OF RIVERSIDE

By 
JOHN TAVAGLIONE
CHAIRMAN, BOARD OF SUPERVISORS


ATTEST:

NANCY ROMERO,
Clerk of the Board

By 
Deputy

APPROVED AS TO FORM

JOE S. BANK, County Counsel

By 

SIGNATURES OF CONTRACTOR MUST BE WITNESSES BY NOTARY
AND EXECUTED IN TRIPPLICATE

OCT 16 2007 2.34

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego }

On August 20, 07 before me, Janae Laymon, Notary Public,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

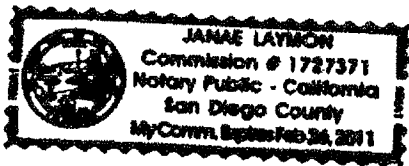
personally appeared James P. Brennan
Name(s) of Signer(s)

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/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.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature Janae Laymon
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: _____

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: _____

**AGREEMENT
FOR THE CONSTRUCTION OF WATER SYSTEM IMPROVEMENTS**

This agreement, made and entered into by and between the County of Riverside, State of California, hereinafter called County, and BC Christensen Ranch, LLC hereinafter called Contractor.

WITNESSETH:

FIRST: Contractor, for and in consideration of the approval by County of the final map of that certain land division known as **Tract 32628**, hereby agrees, at Contractor's own cost and expense, to construct or cause to have constructed, within **24** months from the date this agreement is executed, in a good and workmanlike manner, a water distribution system, complete with all necessary pipes, valves, fire hydrants, connections and appurtenances necessary to the satisfactory operation of said distribution system, and, further, to extend main or mains from the existing supply system maintained and operated by **Eastern Municipal Water District** to connect with the distribution system described above with all pipe laid at such a depth as to provide a full thirty-six inch (36") minimum cover from the top of the pipe to street grade, unless otherwise specified by the Director of Transportation, all in accordance with those plans and specifications which have been approved by both the County Health Director and Director of Transportation, and are on file in the office of the Riverside County Transportation Department. Said approved plans and specifications are hereby made a part of this agreement as fully as though set forth herein. All of the above required work shall be done under the inspection of, and to the satisfaction of, the County Director of Transportation and the County Health Officer, and shall not be deemed complete until approved and accepted as complete by the County. Contractor further agrees to maintain the above required improvements for a period of one year following acceptance by the County, and during this one year period to repair or replace, to the satisfaction of the Director of Transportation, any defective work or labor done or defective materials furnished. Contractor further agrees that all underground improvements shall be completed prior to the paving of any roadway. The estimated cost of said work and improvements is the sum of **Three hundred fifty thousand and no/100 Dollars (\$350,000.00)**.

SECOND: Contractor agrees to pay to County the actual cost of such inspections of the work and improvements as may be required by the Director of Transportation. Contractor further agrees that, if suit is brought upon this agreement or any bond guaranteeing the completion of the water system improvements, all costs and reasonable expenses and fees incurred by County in successfully enforcing such obligations shall be paid by Contractor, including reasonable attorney's fees, and that, upon entry of judgment, all such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

THIRD: County shall not, nor shall any officer or employee of County, be liable or responsible for any accident, loss or damage happening or occurring to the works specified in this agreement prior to the completion and acceptance thereof, nor shall County or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Contractor, his agents or employees, in the performance of the work, and all or said liabilities are assumed by Contractor. Contractor agrees to protect, defend, and hold harmless County and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Contractor, his agents and employees, in the performance of this agreement or arising out of the use of any patent or patented article in the performance of this agreement.

FOURTH: The Contractor hereby grants to County, or any agent or employee of County, the irrevocable permission to enter upon the lands of the subject land division for the purpose of completing the improvements. This permission shall terminate in the event that Contractor has completed work within the time specified or any extension thereof granted by the County.

FIFTH: The Landowner shall provide adequate notice and warning to the traveling public of each and every hazardous or dangerous condition caused or created by the construction of the works of improvement at all times up to the completion and formal acceptance of the works of improvement. The Landowner shall protect all persons from such hazardous or dangerous conditions by use of traffic regulatory control methods, including, but not limited to, stop signs, regulatory signs or signals, barriers, or detours.

SIXTH: Contractor, his agents and employees, shall give notice to the Director of Transportation at least 48 hours before beginning any work and shall furnish said Director of Transportation all reasonable facilities for obtaining full information with respect to the progress and manner of work.

SEVENTH: If Contractor, his agents or employees, neglects, refuses, or fails to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time which have been granted by County, or if Contractor violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this agreement and notice of such default shall be served upon him. County shall have the power, on recommendation of the Director of Transportation, to terminate all rights of Contractor because of such default. The determination by the Director of Transportation of the question as to whether any of the terms of the agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Contractor, and any and all parties who may have any interest in the agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to County under law. The failure of the Contractor to commence construction shall not relieve the Contractor or surety from completion of the improvements required by this agreement.

EIGHTH: Contractor agrees to file with County, prior to the date this agreement is executed, a good and sufficient improvement security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this agreement, and good and sufficient security for payment of labor and materials in the amount prescribed by Article XVII of Riverside County Ordinance 460 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. Contractor agrees to renew each and every said bond or bonds with good and sufficient sureties or increase the amount of said bonds, or both, within ten (10) days after being notified by the Director of Transportation that the sureties or amounts are insufficient. Notwithstanding any other provisions herein, if Contractor fails to take such action as is necessary to comply with said notice, he shall be in default of this agreement unless all required improvements are completed within ninety (90) days of the date on which the Director of Transportation notified Contractor of the insufficiency of the security or the amount of the bonds or both.

NINTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds securing this agreement, that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this agreement, extensions of time may be granted, from time to time, by County, either at its own option, or upon request of Contractor, and such extensions shall in no way affect the validity of this agreement or release the surety or sureties on such bonds. Contractor further agrees to maintain the aforesaid bond or bonds in full force and effect during the terms of this agreement, including any extensions of time as may be granted therein.

TENTH: It is understood and agreed by the parties hereto that if any part, term or provision of this agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain that particular part, term or provision held to be invalid.

ELEVENTH: Any notice or notices required or permitted to be given pursuant to this agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

County

Contractor

Construction Engineer
Riverside County Transportation Dept.
2950 Washington Street
Riverside, CA 92504

BC Christensen Ranch, LLC
17140 Bernardo Ctr Dr. #380
San Diego, CA 92128

IN WITNESS WHEREOF, Contractor has affixed his name, address and seal.

By BC Christensen Ranch, LLC
a California limited liability
Title Company

By Brenson Properties, LLC
a California limited liability
company, its managing member

Title BY: [Signature]
James P. Brennan, manager

COUNTY OF RIVERSIDE

By [Signature]
JOHN TAVAGLIONE
CHAIRMAN, BOARD OF SUPERVISORS

ATTEST:

NANCY ROMERO,
Clerk of the Board

By [Signature]
Deputy

APPROVED AS TO FORM

JOE S. BANK, County Counsel

By [Signature]

SIGNATURES OF CONTRACTOR MUST BE WITNESSES BY NOTARY
AND EXECUTED IN TRIPPLICATE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

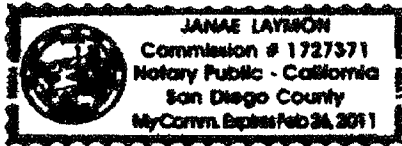
County of San Diego

On August 20, 07 before me, Janae Laymon, Notary Public

personally appeared James P Brennan

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.

Place Notary Seal Above

Signature Janae Laymon
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: _____

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: _____

**AGREEMENT
FOR THE CONSTRUCTION OF SEWER SYSTEM IMPROVEMENTS**

This agreement, made and entered into by and between the County of Riverside, State of California, hereinafter called County, and BC Christensen Ranch, LLC hereinafter called Contractor.

WITNESSETH:

FIRST: Contractor, for and in consideration of the approval by County of the final map of that certain land division known as Tract 32628, hereby agrees, at Contractor's own cost and expense, to construct or cause to have constructed, within 24 months from the date this agreement is executed, in a good and workmanlike manner, a sanitary sewer system, complete with all necessary pipes, valves, fire hydrants, connections and appurtenances necessary to the satisfactory operation of said sanitary sewer system. Contractor further agrees to extend the main or mains from the existing sewer system maintained and operated by Eastern Municipal Water District to connect with the sanitary sewer system required to be constructed by this agreement. All the above required work shall be in accordance with those plans and specifications which have been approved by the Director of Transportation, and are on file in the office of the Riverside County Transportation Department. Said approved plans and specifications are hereby made a part of this agreement as fully as though set forth herein. All of the above required work shall be done under the inspection of, and to the satisfaction of, the County Director of Transportation and the County Health Officer, and shall not be deemed complete until approved and accepted as complete by the County and accepted by the above-named agency into its sewer system. Contractor further agrees to maintain the above required improvements for a period of one year following acceptance by the County, and during this one year period to repair or replace, to the satisfaction of the Director of Transportation, any defective work or labor done or defective materials furnished. The estimated cost of said work and improvements is the sum of One hundred seventeen thousand and no/100 Dollars (\$117,000.00).

SECOND: Contractor agrees to pay to County the actual cost of such inspections of the work and improvements as may be required by the Director of Transportation. Contractor further agrees that, if suit is brought upon this agreement or any bond guaranteeing the completion of the water system improvements, all costs and reasonable expenses and fees incurred by County in successfully enforcing such obligations shall be paid by Contractor, including reasonable attorney's fees, and that, upon entry of judgment, all such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

THIRD: County shall not, nor shall any officer or employee of County, be liable or responsible for any accident, loss or damage happening or occurring to the works specified in this agreement prior to the completion and acceptance thereof, nor shall County or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Contractor, his agents or employees, in the performance of the work, and all or said liabilities are assumed by Contractor. Contractor agrees to protect, defend, and hold harmless County and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Contractor, his agents and employees, in the performance of this agreement or arising out of the use of any patent or patented article in the performance of this agreement.

FOURTH: The Contractor hereby grants to County, or any agent or employee of County, the irrevocable permission to enter upon the lands of the subject land division for the purpose of completing the improvements. This permission shall terminate in the event that Contractor has completed work within the time specified or any extension thereof granted by the County.

FIFTH: The Contractor shall provide adequate notice and warning to the traveling public of each and every hazardous or dangerous condition caused or created by the construction of the works of improvement at all times up to the completion and formal acceptance of the works of improvement. The Contractor shall protect all persons from such hazardous or dangerous conditions by use of traffic regulatory control methods, including, but not limited to, stop signs, regulatory signs or signals, barriers, or detours.

SIXTH: Contractor, his agents and employees, shall give notice to the Director of Transportation at least 48 hours before beginning any work and shall furnish said Director of Transportation all reasonable facilities for obtaining full information with respect to the progress and manner of work.

SEVENTH: If Contractor, his agents or employees, neglects, refuses, or fails to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time which have been granted by County, or if Contractor violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this agreement and notice of such default shall be served upon him. County shall have the power, on recommendation of the Director of Transportation, to terminate all rights of Contractor because of such default. The determination by the Director of Transportation of the question as to whether any of the terms of the agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Contractor, and any and all parties who may have any interest in the agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to County under law. The failure of the Contractor to commence construction shall not relieve the Contractor or surety from completion of the improvements required by this agreement.

EIGHTH: Contractor agrees to file with County, prior to the date this agreement is executed, a good and sufficient improvement security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this agreement, and good and sufficient security for payment of labor and materials in the amount prescribed by Article XVII of Riverside County Ordinance 460 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. Contractor agrees to renew each and every said bond or bonds with good and sufficient sureties or increase the amount of said bonds, or both, within ten (10) days after being notified by the Director of Transportation that the sureties or amounts are insufficient. Notwithstanding any other provisions herein, if Contractor fails to take such action as is necessary to comply with said notice, he shall be in default of this agreement unless all required improvements are completed within ninety (90) days of the date on which the Director of Transportation notified Contractor of the insufficiency of the security or the amount of the bonds or both.

NINTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds securing this agreement, that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this agreement, extensions of time may be granted, from time to time, by County, either at its own option, or upon request of Contractor, and such extensions shall in no way affect the validity of this agreement or release the surety or sureties on such bonds. Contractor further agrees to maintain the aforesaid bond or bonds in full force and effect during the terms of this agreement, including any extensions of time as may be granted therein.

TENTH: It is understood and agreed by the parties hereto that if any part, term or provision of this agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain that particular part, term or provision held to be invalid.

ELEVENTH: Any notice or notices required or permitted to be given pursuant to this agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

County

Contractor

Construction Engineer
Riverside County Transportation Dept.
2950 Washington Street
Riverside, CA 92504

BC Christensen Ranch, LLC
17140 Bernardo Center Drive, #380
San Diego, CA 92128

IN WITNESS WHEREOF, Contractor has affixed his name, address and seal.

BC Christensen Ranch, LLC
By California limited liability company
Title BY: Brenson Properties, LLC
a California limited liability company its managing member
By _____
Title BY: [Signature]
James P. Brennan, manager

COUNTY OF RIVERSIDE

By [Signature]
JOHN AVAGLIONE
CHAIRMAN, BOARD OF SUPERVISORS

ATTEST:

NANCY ROMERO,
Clerk of the Board

By [Signature]
Deputy

APPROVED AS TO FORM

JOE S. RANK County Counsel

By [Signature]

SIGNATURES OF CONTRACTOR MUST BE WITNESSES BY NOTARY
AND EXECUTED IN TRIPLICATE

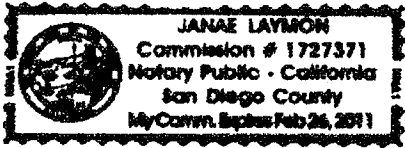
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego

On August 20, 07 before me, Janae Laymon, Notary Public

personally appeared James P. Brennan



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/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.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature Janae Laymon
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: _____

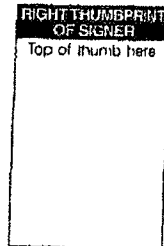
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



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: _____

**AGREEMENT
FOR THE PLACEMENT OF SURVEY MONUMENTS**

This agreement, made and entered into by and between the County of Riverside, State of California, hereinafter called County, and BC Christensen Ranch, LLC, hereinafter called Contractor.

WITNESSETH:

FIRST: Contractor, for and in consideration of the approval by County of the final map of that certain land division known as **Tract 32628**, hereby agrees, at Contractor's own cost and expense, to furnish all labor, equipment and materials necessary to set, within **24** months from the date this agreement is executed, in a good and workmanlike manner, all survey monuments and tie points and to furnish to the County Surveyor tie notes for said tract in accordance with the standards set forth in Riverside County Ordinance No. 461 and Section 8771 et seq. of the Business and Professions Code of the State of California. Contractor further agrees to pay, within 30 days of presentation to contractor of the final billing of any surveyor or engineer for work performed by him as provides for in Article 9 of Chapter 4, Division 2 of Title 7 of the Government Code of the State of California (commencing with Section 66495). Contractor further agrees that if payment to the surveyor or engineer is not made within 30 days, the surveyor or engineer notifies County that he has not been paid for setting the final monuments, and the Board of Supervisors, pursuant to Section 66497 of the Government Code, after providing Contractor with an opportunity to present evidence as to whether or not the surveyor or engineer has been paid, orders that payment be made by County to the engineer or surveyor, Contractor will, upon demand, and without proof of loss by County, reimburse County for any funds so expended. Notwithstanding any other provisions herein, the determination of County as to whether the surveyor or engineer has been paid shall be conclusive on Contractor, his surety, and all parties who may have an interest in the agreement or any portion thereof.

All of the above required work shall be done under the inspection of, and to the satisfaction of, the County Surveyor, and shall not be deemed complete until approved and accepted as complete by the County. The estimated cost of said work and improvements is the sum of **Twenty-five thousand three hundred and no/100 Dollars (\$25,300.00)**.

SECOND: Contractor agrees to pay to County the actual cost of such inspections of the work and improvements as may be required by the County Surveyor. Contractor further agrees that, if suit is brought upon this agreement or any bond guaranteeing the completion of the monuments, all costs and reasonable expenses and fees incurred by County in successfully enforcing such obligations shall be paid by Contractor, including reasonable attorney's fees, and that, upon entry of judgment, all such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

THIRD: County shall not, nor shall any officer or employee of County, be liable or responsible for any accident, loss or damage happening or occurring to the works specified in this agreement prior to the completion and acceptance thereof, nor shall County or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Contractor, his agents or employees, in the performance of the work, and all or said liabilities are assumed by Contractor. Contractor agrees to protect, defend, and hold harmless County and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Contractor, his agents and employees, in the performance of this agreement or arising out of the use of any patent or patented article in the performance of this agreement.

FOURTH: The Contractor hereby grants to County, the Surety upon any bond, and to the agents, employees and contractors of either or them, the irrevocable permission to enter upon the lands of the subject land division for the purpose of completing the monumentation. This permission shall terminate in the event that Contractor or the Surety has completed work within the time specified or any extension thereof granted by the County. It is further agreed that Contractor shall have control of the ground reserved for the installation of said work, and the streets in which they are to be placed, as is necessary to allow him to carry out this agreement.

FIFTH: Contractor agrees to file with County prior to the date this contract is executed, an acceptable and sufficient improvement security in an amount not less than the estimated cost of the work, as above specified, for the faithful performance of the terms and conditions of this agreement, and for the payment of the amount of the improvement security to the County for the benefit of any surveyor or engineer who has not been paid by the Contractor, as provided for by Section 66495 et seq. of the Government Code of the State of California. Contractor agrees to renew each and every said bond or bonds with good and sufficient sureties or increase the amount of said bonds, or both, within ten (10) days after being notified by the Director of Transportation that the sureties or amounts are insufficient. Notwithstanding any other provisions herein, if Contractor fails to take such action as is necessary to comply with said notice, he shall be in default of this agreement unless all required improvements are completed within ninety (90) days of the date on which the Director of Transportation notified Contractor of the insufficiency of the security or the amount of the bonds or both.

SIXTH: If contractor neglects, refuses, or fails to prosecute the work as to insure its completion within the time specifies, or within such extensions of time which have been granted by County, or if Contractor violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this agreement. County shall have the power, on recommendation of the Director of Transportation, to terminate all rights of Contractor in such agreement, but said termination shall not affect or terminate any of the rights of County as against Contractor or his Surety then existing or which thereafter accrue because of such default. The determination of the County Surveyor of the question as to whether any of the terms of the agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Contractor, his Surety, and any and all parties who may have any interest in the agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to County under law. The failure of the Contractor to commence construction shall not relieve the Contractor or surety from completion of the improvements required by this agreement.

SEVENTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds securing this agreement, that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this agreement, extensions of time may be granted, from time to time, by County, either at its own option, or upon request of Contractor, and such extensions shall in no way affect the validity of this agreement or release the surety or sureties on such bonds. Contractor further agrees to maintain the aforesaid bond or bonds in full force and effect during the terms of this agreement, including any extensions of time as may be granted therein.

EIGHTH: It is understood and agreed by the parties hereto that if any part, term or provision of this agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain that particular part, term or provision held to be invalid.

NINTH: Any notice or notices required or permitted to be given pursuant to this agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

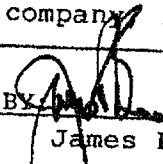
County

Construction Engineer
Riverside County Transportation Dept.
2950 Washington Street
Riverside, CA 92504

Contractor

BC Christensen Ranch, LLC
17140 Bernardo Center Drive
San Diego, CA 92128

IN WITNESS WHEREOF, Contractor has affixed his name, address and seal.

BC Christensen Ranch, LLC
By a California limited liability company
Title BY: Brenson Properties, LLC
a California limited liability company its managing member
By _____
Title BY: 
James P. Brennan, manager

COUNTY OF RIVERSIDE

By 
JOHN TAVAGLIONE
CHAIRMAN, BOARD OF SUPERVISORS


ATTEST:

NANCY ROMERO,
Clerk of the Board

By 
Deputy

APPROVED AS TO FORM

JOE S. RANK, County Counsel

By 

SIGNATURES OF CONTRACTOR MUST BE WITNESSES BY NOTARY
AND EXECUTED IN TRIPLICATE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of: San Diego

On August 20, 07 before me, Janae Laymon, Notary Public

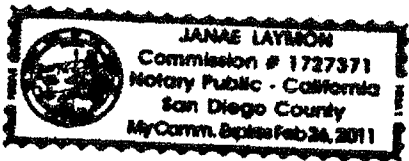
personally appeared James P. Brennan

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.



Place Notary Seal Above

Signature Janae Laymon
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: _____

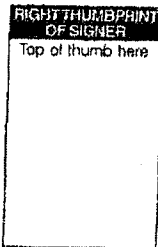
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

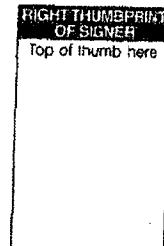
- Individual
- Corporate Officer -- Title(s): _____
- Partner -- Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



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: _____

Exhibit B - Subdivision Improvement Bonds

FAITHFUL PERFORMANCE BOND

COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

(Government Code Section 66499.1)

FOR: Streets and Drainage \$ 4,186,500.00 Tract No. 32628
Water System \$ _____ Parcel Map No. _____
Sewer System \$ _____ Bond No. 0455242
International Fidelity Premium \$62,798.00/two years
Surety Insurance Company Principal BC Christensen Ranch, LLC
Address 13400 Sabre Springs Pkwy Address 17140 Bernardo Ctr Dr. #380
City/State San Diego, CA City/State San Diego, CA 92128
Zip 92128 Zip 92128
Phone 858-513-1795 Phone 858-217-3144

WHEREAS, the County of Riverside, State of California, and BC Christensen Ranch, LLC (hereinafter designated as "principal") have entered into, or are about to enter into, the attached agreement(s) whereby principal agrees to install and complete the above designated public improvements relating to (Tract/Parcel) 32628, which agreement(s) is/are hereby referred to and made a part hereof; and,

WHEREAS, said principal is required under the terms of said agreement(s) to furnish bond(s) for the faithful performance of said agreement(s);

NOW, THEREFORE, we the principal and International Fidelity Insurance ^{Company} as surety, are held and firmly bound unto the County of Riverside in the penal sum of Four Million One Hundred Eighty Six Thousand Five Hundred Dollars (\$ 4,186,500.00) lawful money of the United States, for the payment of which sum will and truly 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 bonded principal, his or its heirs, executors, 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 Riverside, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall 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 in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

FAITHFUL PERFORMANCE BOND

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of this agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition. Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code and commencement of construction are not conditions precedent to surety's obligations hereunder and are hereby waived by surety.

When the work covered by the agreement is complete, the County of Riverside will accept the work and thereupon, the amount of the obligation of this bond is reduced by 90% with the remaining 10% held as security for the one-year maintenance period provided for in the agreements(s).

IN WITNESS WHEREOF, this instrument has been duly executed by the principal and surety above named, on August 17, 2007.

NAME OF PRINCIPAL: BC Christensen Ranch, LLC a California limited liability company

By: Brenson Properties, LLC a California limited liability company, its managing member

AUTHORIZED SIGNATURE(S): By: 

James P. Brennan, Title Manager

Title

Title

(IF CORPORATION, AFFIX SEAL)

NAME OF SURETY: International Fidelity Insurance Company

AUTHORIZED SIGNATURE: 

Its Attorney-in-Fact

Title

Jennifer Tesoriero

(IF CORPORATION, AFFIX SEAL)

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURES OF PRINCIPAL AND ATTORNEY-IN-FACT.

POWER OF ATTORNEY INTERNATIONAL FIDELITY INSURANCE COMPANY

HOME OFFICE: ONE NEWARK CENTER, 20TH FLOOR
NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing laws of the State of New Jersey, and having its principal office in the City of Newark, New Jersey, does hereby constitute and appoint

JENNIFER TESORIERO

Clairemont, CA.

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said INTERNATIONAL FIDELITY INSURANCE COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of Article 3-Section 3, of the By-Laws adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting called and held on the 7th day of February, 1974.

The President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and,
- (2) To remove, at any time, any such attorney-in-fact and revoke the authority given.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 29th day of April, 1982 of which the following is a true excerpt:

Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.



IN TESTIMONY WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 29th day of August, A.D. 2003.

STATE OF NEW JERSEY
County of Essex

INTERNATIONAL FIDELITY INSURANCE COMPANY

[Handwritten Signature]
Secretary

On this 29th day of August 2003, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of the INTERNATIONAL FIDELITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.



IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

[Handwritten Signature]

A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 21, 2010

CERTIFICATION

I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect

IN TESTIMONY WHEREOF, I have hereunto set my hand this 17th day of August, 2007.

[Handwritten Signature]
Assistant Secretary

ACKNOWLEDGMENT

State of California

County of Los Angeles

On August 17, 2007 before me, Robin Ballard, Notary Public,
(here insert name and title of the officer)

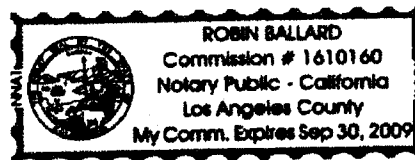
personally appeared Jennifer Tesoriero

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

Robin Ballard



(Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego }

On August 20, 07 before me, Janae Laymon, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

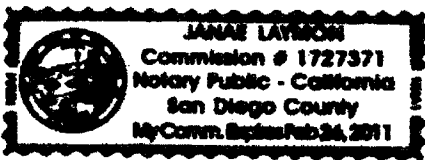
personally appeared James P. Brennan
Name(s) of Signer(s)

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.



Place Notary Seal Above

Signature Janae Laymon
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: _____

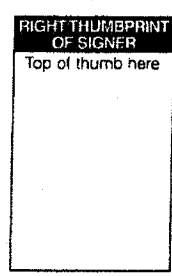
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



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: _____

MATERIAL AND LABOR BOND
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
(Government Code Section 66499.1)

FOR: Streets and Drainage \$ <u>2,583,000.00</u>	Tract No. <u>32628</u>
Water System \$ _____	Parcel Map No. _____
Sewer System \$ _____	Bond No. <u>0455242</u>
International Fidelity Insurance Company	Premium <u>included in performance</u> bond
Surety <u>Insurance Company</u>	Principal <u>BC Christensen Ranch, LLC</u>
Address <u>13400 Sabre Springs Pkwy</u>	Address <u>17140 Bernardo Ctr Dr. #380</u>
City/State <u>San Diego, CA</u>	City/State <u>San Diego, CA</u>
Zip <u>92128</u>	Zip <u>92128</u>
Phone <u>858-513-1795</u>	Phone <u>858-217-3144</u>

WHEREAS, the County of Riverside, State of California, and BC Christensen Ranch, LLC (hereinafter designated as "principal") have entered into, or are about to enter into, the attached agreement(s) whereby principal agrees to install and complete the above designated public improvements relating to (Tract/Parcel) 32628, which agreement(s) is/are hereby referred to and made a 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 Riverside 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, said principal and the undersigned, as corporate surety, are held firmly unto the County of Riverside and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of said Civil Code in the sum of ~~Five Hundred Eighty Three Thousand~~ Two Million Dollars (\$2,583,000.00) 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 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 upon that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to full 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.

MATERIAL AND LABOR BOND

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of this agreement or to the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition. Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code are not a condition precedent to surety's obligations hereunder and are hereby waived by surety.

IN WITNESS WHEREOF, this instrument has been duly executed by the principal and surety above named, on August 17, 2007.

NAME OF PRINCIPAL: BC Christensen Ranch, LLC a California limited liability company

By: Brenson Properties, LLC a California limited liability company, its managing member

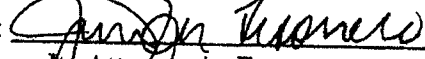
AUTHORIZED SIGNATURE(S): By: 
James P. Brennan Title Manager

Title

Title

(IF CORPORATION, AFFIX SEAL)

NAME OF SURETY: International Fidelity Insurance Company

AUTHORIZED SIGNATURE: 
Its Attorney-in-Fact Title
Jennifer Tesoriero

(IF CORPORATION, AFFIX SEAL)

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURES OF PRINCIPAL AND ATTORNEY-IN-FACT.

POWER OF ATTORNEY INTERNATIONAL FIDELITY INSURANCE COMPANY

HOME OFFICE: ONE NEWARK CENTER, 20TH FLOOR
NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing laws of the State of New Jersey, and having its principal office in the City of Newark, New Jersey, does hereby constitute and appoint

JENNIFER TESORIERO

Clairemont, CA.

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said INTERNATIONAL FIDELITY INSURANCE COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of Article 3-Section 3, of the By-Laws adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting called and held on the 7th day of February, 1974.

The President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and,
- (2) To remove, at any time, any such attorney-in-fact and revoke the authority given.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 29th day of April, 1982 of which the following is a true excerpt:

Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.



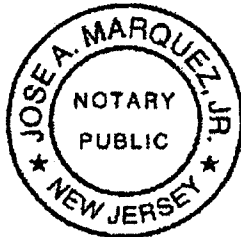
IN TESTIMONY WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 29th day of August, A.D. 2003.

INTERNATIONAL FIDELITY INSURANCE COMPANY

STATE OF NEW JERSEY
County of Essex

[Handwritten Signature]
Secretary

On this 29th day of August 2003, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said the he is the therein described and authorized officer of the INTERNATIONAL FIDELITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.



IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

[Handwritten Signature]

A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 21, 2010

CERTIFICATION

I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect

IN TESTIMONY WHEREOF, I have hereunto set my hand this 17th day of August, 2007.

[Handwritten Signature]
Assistant Secretary

ACKNOWLEDGMENT

State of California

County of Los Angeles

On August 17, 2007 before me, Robin Ballard, Notary Public,
(here insert name and title of the officer)

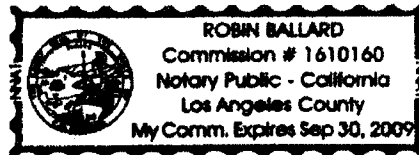
personally appeared Jennifer Tesoriero

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

Robin Ballard



(Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego }

On August 20, 07 before me, Janae Laymon, Notary Public

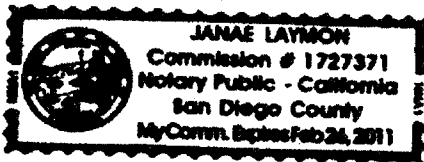
personally appeared James P. Brennan

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.



Place Notary Seal Above

Signature Janae Laymon
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: _____

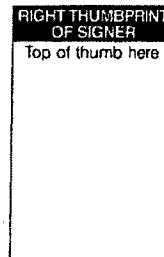
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



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: _____

FAITHFUL PERFORMANCE BOND

COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

(Government Code Section 66499.1)

FOR: Streets and Drainage \$ _____ Tract No. 32628
Water System \$ 350,000 Parcel Map No. _____
Sewer System \$ _____ Bond No. 0455243
Premium \$5,250.00/two years
International Fidelity
Surety Insurance Company Principal BC Christensen Ranch, LLC
Address 13400 Sabre Springs Pkwy Address 17140 Bernardo Ctr Dr. #380
City/State San Diego, CA City/State San Diego, CA
Zip 92128 Zip 92128
Phone 858-513-1795 Phone 858-217-3144

WHEREAS, the County of Riverside, State of California, and BC Christensen Ranch, LLC
(hereinafter designated as "principal") have entered into, or are about to enter into, the attached
agreement(s) whereby principal agrees to install and complete the above designated public
improvements relating to (Tract/Parcel) 32628, which agreement(s) is/are hereby
referred to and made a part hereof; and,

WHEREAS, said principal is required under the terms of said agreement(s) to furnish bond(s) for
the faithful performance of said agreement(s);

NOW, THEREFORE, we the principal and International Fidelity Insurance Company, as
surety, are held and firmly bound unto the County of Riverside in the penal sum of Three Hundred Fifty Thousand
Three Hundred Fifty Thousand Dollars (\$350,000.00) lawful money of
the United States, for the payment of which sum will and truly 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 bonded principal, his or its heirs,
executors, 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 Riverside, its officers, agents and
employees, as therein stipulated, then this obligation shall become null and void; otherwise, it
shall 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 in successfully enforcing such obligation, all to be taxed as costs
and included in any judgment rendered.

FAITHFUL PERFORMANCE BOND

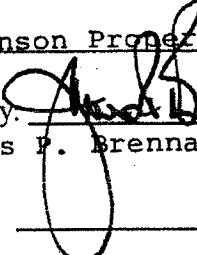
The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of this agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition. Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code and commencement of construction are not conditions precedent to surety's obligations hereunder and are hereby waived by surety.

When the work covered by the agreement is complete, the County of Riverside will accept the work and thereupon, the amount of the obligation of this bond is reduced by 90% with the remaining 10% held as security for the one-year maintenance period provided for in the agreements(s).

IN WITNESS WHEREOF, this instrument has been duly executed by the principal and surety above named, on August 17, 2007.

NAME OF PRINCIPAL: BC Christensen Ranch, LLC a California limited liability company

By: Brenson Properties, LLC a California limited liability company, its managing member


AUTHORIZED SIGNATURE(S): By: 
James P. Brennan Title Manager

Title

Title

(IF CORPORATION, AFFIX SEAL)

NAME OF SURETY: International Fidelity Insurance Company

AUTHORIZED SIGNATURE: 
Its Attorney-in-Fact Title
Jennifer Tesoriero

(IF CORPORATION, AFFIX SEAL)

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURES OF PRINCIPAL AND ATTORNEY-IN-FACT.

POWER OF ATTORNEY INTERNATIONAL FIDELITY INSURANCE COMPANY

HOME OFFICE: ONE NEWARK CENTER, 20TH FLOOR
NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing laws of the State of New Jersey, and having its principal office in the City of Newark, New Jersey, does hereby constitute and appoint

JENNIFER TESORIERO

Clairemont, CA.

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said INTERNATIONAL FIDELITY INSURANCE COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of Article 3-Section 3, of the By-Laws adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting called and held on the 7th day of February, 1974.

The President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and,
- (2) To remove, at any time, any such attorney-in-fact and revoke the authority given.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 29th day of April, 1982 of which the following is a true excerpt:

Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.



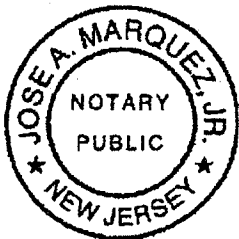
IN TESTIMONY WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 29th day of August, A.D. 2003.

STATE OF NEW JERSEY
County of Essex

INTERNATIONAL FIDELITY INSURANCE COMPANY

[Handwritten Signature]
Secretary

On this 29th day of August 2003, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said the he is the therein described and authorized officer of the INTERNATIONAL FIDELITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.



IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

[Handwritten Signature]

A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 21, 2010

CERTIFICATION

I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect

IN TESTIMONY WHEREOF, I have hereunto set my hand this 17th day of August, 2007.

[Handwritten Signature]

Assistant Secretary

ACKNOWLEDGMENT

State of California

County of Los Angeles

On August 17, 2007 before me, Robin Ballard, Notary Public,
(here insert name and title of the officer)

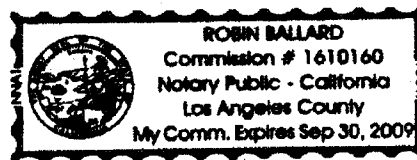
personally appeared Jennifer Tesoriero

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

Robin Ballard



(Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego

On August 20, 07 before me, Janae Laymon, Notary Public

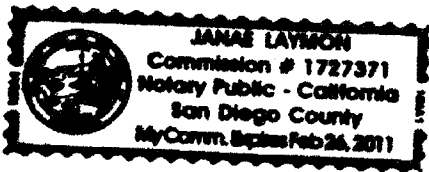
personally appeared James P. Brennan

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.



Place Notary Seal Above

Signature Janae Laymon
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: _____

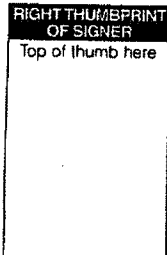
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

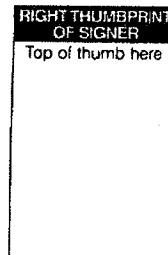
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



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: _____

MATERIAL AND LABOR BOND
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
(Government Code Section 66499.1)

FOR: Streets and Drainage \$ _____	Tract No. <u>32628</u>
Water System \$ <u>175,000.00</u>	Parcel Map No. _____
Sewer System \$ _____	Bond No. <u>0455243</u>
International Fidelity	Premium <u>included in performance</u>
Surety <u>Insurance Company</u>	Principal <u>BC Christensen Ranch, LLC</u> bond
Address <u>13400 Sabre Springs Pkwy</u>	Address <u>17140 Bernardo Ctr Dr., #380</u>
City/State <u>San Diego, CA</u>	City/State <u>San Diego, CA</u>
Zip <u>92128</u>	Zip <u>92128</u>
Phone <u>858-513-1795</u>	Phone <u>858-217-3144</u>

WHEREAS, the County of Riverside, State of California, and BC Christensen Ranch, LLC (hereinafter designated as "principal") have entered into, or are about to enter into, the attached agreement(s) whereby principal agrees to install and complete the above designated public improvements relating to (Tract/Parcel) 32628, which agreement(s) is/are hereby referred to and made a 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 Riverside 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, said principal and the undersigned, as corporate surety, are held firmly unto the County of Riverside and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of said Civil Code in the sum of One Hundred Seventy Five Thousand Dollars (\$175,000.00) 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 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 upon that this bond shall inure to the benefit of any and all persons, companies and corporations entitles to full 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.

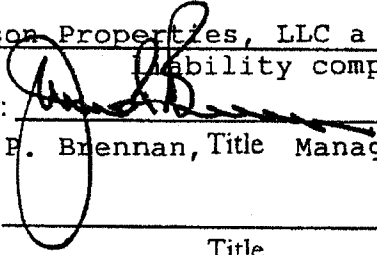
MATERIAL AND LABOR BOND

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of this agreement or to the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition. Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code are not a condition precedent to surety's obligations hereunder and are hereby waived by surety.

IN WITNESS WHEREOF, this instrument has been duly executed by the principal and surety above named, on August 17, _____, 2007.

NAME OF PRINCIPAL: BC Christensen Ranch, LLC a California limited
liability company

By: Brenson Properties, LLC a California limited
liability company, its managing member

AUTHORIZED SIGNATURE(S) By: 
James P. Brennan, Title Manager

Title

Title

(IF CORPORATION, AFFIX SEAL)

NAME OF SURETY: International Fidelity Insurance Company

AUTHORIZED SIGNATURE: 
Its Attorney-in-Fact Title
Jennifer Tesoriero

(IF CORPORATION, AFFIX SEAL)

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURES OF PRINCIPAL AND ATTORNEY-IN-FACT.

POWER OF ATTORNEY INTERNATIONAL FIDELITY INSURANCE COMPANY

HOME OFFICE: ONE NEWARK CENTER, 20TH FLOOR
NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing laws of the State of New Jersey, and having its principal office in the City of Newark, New Jersey, does hereby constitute and appoint

JENNIFER TESORIERO

Clairemont, CA.

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said INTERNATIONAL FIDELITY INSURANCE COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of Article 3-Section 3, of the By-Laws adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting called and held on the 7th day of February, 1974.

The President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and,
- (2) To remove, at any time, any such attorney-in-fact and revoke the authority given.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 29th day of April, 1982 of which the following is a true excerpt:

Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.



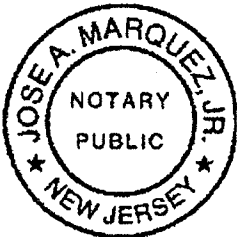
IN TESTIMONY WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 29th day of August, A.D. 2003.

STATE OF NEW JERSEY
County of Essex

INTERNATIONAL FIDELITY INSURANCE COMPANY

[Handwritten Signature]
Secretary

On this 29th day of August 2003, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of the INTERNATIONAL FIDELITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.



IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

[Handwritten Signature]

A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 21, 2010

CERTIFICATION

I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect

IN TESTIMONY WHEREOF, I have hereunto set my hand this 17th day of August, 2007.

[Handwritten Signature]
Assistant Secretary

ACKNOWLEDGMENT

State of California

County of Los Angeles

On August 17, 2007 before me, Robin Ballard, Notary Public
(here insert name and title of the officer)

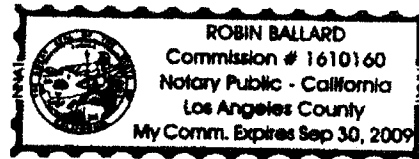
personally appeared Jennifer Tesoriero

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

Robin Ballard



(Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego }

On August 20, 07 before me, Janae Laymon, Notary Public
Date Name and Title of Officer (e.g., 'Jane Doe, Notary Public')

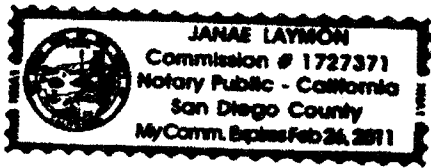
personally appeared James P. Brennan
Name(s) of Signer(s)

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.



Place Notary Seal Above

Signature Janae Laymon
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: _____

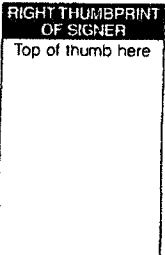
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

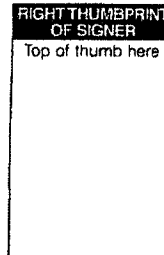
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



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: _____

FAITHFUL PERFORMANCE BOND
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
(Government Code Section 66499.1)

FOR: Streets and Drainage	\$ _____	Tract No.	<u>32628</u>
Water System	\$ _____	Parcel Map No.	_____
Sewer System	\$ <u>117,000.00</u>	Bond No.	<u>0455244</u>
		Premium	<u>\$1,755.00/two years</u>

International Fidelity
Surety Insurance Company Principal BC Christensen Ranch, LLC
Address 13400 Sabre Springs Pkwy Address 17140 Bernardo Ctr Dr., #380
City/State San Diego, CA City/State San Diego, CA
Zip 92128 Zip 92128
Phone 858-513-1795 Phone 858-217-3144

WHEREAS, the County of Riverside, State of California, and _____
BC Christensen Ranch, LLC
(hereinafter designated as "principal") have entered into, or are about to enter into, the attached agreement(s) whereby principal agrees to install and complete the above designated public improvements relating to (Tract/Parcel) 32628, which agreement(s) is/are hereby referred to and made a part hereof; and,

WHEREAS, said principal is required under the terms of said agreement(s) to furnish bond(s) for the faithful performance of said agreement(s);

NOW, THEREFORE, we the principal and International Fidelity Insurance Company, as surety, are held and firmly bound unto the County of Riverside in the penal sum of One Hundred Seventeen Thousand Dollars (\$117,000.00) lawful money of the United States, for the payment of which sum will and truly 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 bonded principal, his or its heirs, executors, 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 Riverside, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall 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 in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

FAITHFUL PERFORMANCE BOND

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of this agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition. Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code and commencement of construction are not conditions precedent to surety's obligations hereunder and are hereby waived by surety.

When the work covered by the agreement is complete, the County of Riverside will accept the work and thereupon, the amount of the obligation of this bond is reduced by 90% with the remaining 10% held as security for the one-year maintenance period provided for in the agreements(s).

IN WITNESS WHEREOF, this instrument has been duly executed by the principal and surety above named, on August 17, 2007.

NAME OF PRINCIPAL: BC Christensen Ranch, LLC a California limited liability company

By: Brenson Properties, LLC a California limited liability company, its managing member

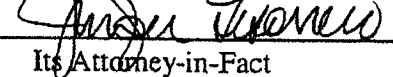
AUTHORIZED SIGNATURE(S): By: 
James P. Brennan, Title Manager

Title

Title

(IF CORPORATION, AFFIX SEAL)

NAME OF SURETY: International Fidelity Insurance Company

AUTHORIZED SIGNATURE: 
Its Attorney-in-Fact Title

Jennifer Tesoriero
(IF CORPORATION, AFFIX SEAL)

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURES OF PRINCIPAL AND ATTORNEY-IN-FACT.

POWER OF ATTORNEY INTERNATIONAL FIDELITY INSURANCE COMPANY

HOME OFFICE: ONE NEWARK CENTER, 20TH FLOOR
NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing laws of the State of New Jersey, and having its principal office in the City of Newark, New Jersey, does hereby constitute and appoint

JENNIFER TESORIERO

Clairemont, CA.

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said INTERNATIONAL FIDELITY INSURANCE COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of Article 3-Section 3, of the By-Laws adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting called and held on the 7th day of February, 1974.

The President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and,
- (2) To remove, at any time, any such attorney-in-fact and revoke the authority given.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 29th day of April, 1982 of which the following is a true excerpt:

Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.



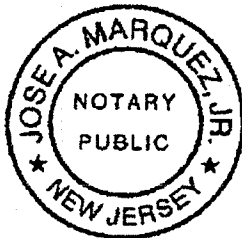
IN TESTIMONY WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 29th day of August, A.D. 2003.

STATE OF NEW JERSEY
County of Essex

INTERNATIONAL FIDELITY INSURANCE COMPANY

[Handwritten Signature]
Secretary

On this 29th day of August 2003, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said the he is the therein described and authorized officer of the INTERNATIONAL FIDELITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.



IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

[Handwritten Signature]

A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 21, 2010

CERTIFICATION

I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect

IN TESTIMONY WHEREOF, I have hereunto set my hand this 17th day of August, 2007.

[Handwritten Signature]
Assistant Secretary

ACKNOWLEDGMENT

State of California

County of Los Angeles

On August 17, 2007 before me, Robin Ballard, Notary Public,
(here insert name and title of the officer)

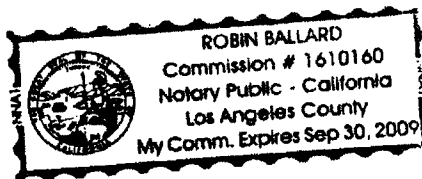
personally appeared Jennifer Tesoriero

~~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

Robin Ballard



(Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego }

On August 29, 07 before me, Janae Laymon Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

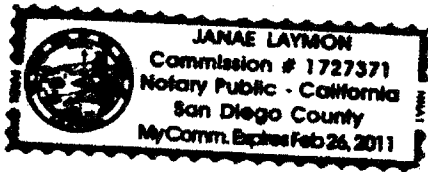
personally appeared James P. Brennan
Name(s) of Signer(s)

personally known to me

(or proved to me on the basis of satisfactory evidence)

to be the person(e) whose name(e) 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(e), or the entity upon behalf of which the person(e) acted, executed the instrument.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature Janae Laymon
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: _____

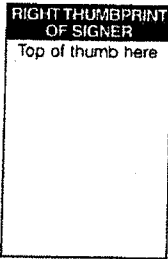
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

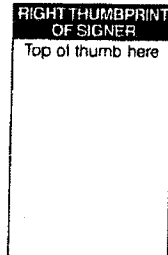
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



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: _____

MATERIAL AND LABOR BOND
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
(Government Code Section 66499.1)

FOR: Streets and Drainage	\$ _____	Tract No.	<u>32628</u>
Water System	\$ _____	Parcel Map No.	_____
Sewer System	\$ <u>58,500.00</u>	Bond No.	<u>0455244</u>
International Fidelity		Premium included in performance	
Surety <u>Insurance Company</u>		Principal <u>BC Christensen Ranch, LLC</u>	bond
Address <u>13400 Sabre Springs Pkwy</u>		Address <u>17140 Bernardo Ctr Dr. #380</u>	
City/State <u>San Diego, CA</u>		City/State <u>San Diego, CA</u>	
Zip <u>92128</u>		Zip <u>92128</u>	
Phone <u>858-513-1795</u>		Phone <u>858-217-3144</u>	

WHEREAS, the County of Riverside, State of California, and _____
BC Christensen Ranch, LLC
(hereinafter designated as "principal") have entered into, or are about to enter into, the attached agreement(s) whereby principal agrees to install and complete the above designated public improvements relating to (Tract/Parcel) 32628, which agreement(s) is/are hereby referred to and made a 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 Riverside 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, said principal and the undersigned, as corporate surety, are held firmly unto the County of Riverside and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of said Civil Code in the sum of _____
Fifty Eight Thousand Five Hundred Dollars (\$ 58,500.00) 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 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 upon that this bond shall inure to the benefit of any and all persons, companies and corporations entitles to full 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.

MATERIAL AND LABOR BOND

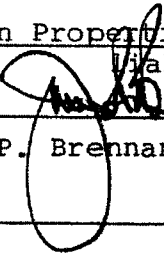
The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of this agreement or to the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition. Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code are not a condition precedent to surety's obligations hereunder and are hereby waived by surety.

IN WITNESS WHEREOF, this instrument has been duly executed by the principal and surety above named, on August 17, 2007.

NAME OF PRINCIPAL: BC Christensen Ranch, LLC a California limited liability company

By: Brenson Properties, LLC a California limited liability company, its managing member

AUTHORIZED SIGNATURE(S): By: _____


James P. Brennan Title Manager

Title

Title

(IF CORPORATION, AFFIX SEAL)

NAME OF SURETY: International Fidelity Insurance Company

AUTHORIZED SIGNATURE: _____


As Attorney-in-Fact

Title

Jennifer Tesoriero

(IF CORPORATION, AFFIX SEAL)

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURES OF PRINCIPAL AND ATTORNEY-IN-FACT.

POWER OF ATTORNEY INTERNATIONAL FIDELITY INSURANCE COMPANY

HOME OFFICE: ONE NEWARK CENTER, 20TH FLOOR
NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing laws of the State of New Jersey, and having its principal office in the City of Newark, New Jersey, does hereby constitute and appoint

JENNIFER TESORIERO

Clairemont, CA.

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said INTERNATIONAL FIDELITY INSURANCE COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of Article 3-Section 3, of the By-Laws adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting called and held on the 7th day of February, 1974.

The President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have power and authority

(1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and,

(2) To remove, at any time, any such attorney-in-fact and revoke the authority given.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 29th day of April, 1982 of which the following is a true excerpt:

Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.



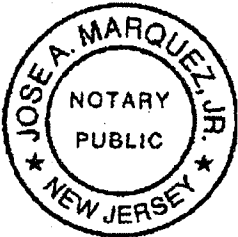
IN TESTIMONY WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 29th day of August, A.D. 2003.

STATE OF NEW JERSEY
County of Essex

INTERNATIONAL FIDELITY INSURANCE COMPANY

[Handwritten Signature]
Secretary

On this 29th day of August 2003, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of the INTERNATIONAL FIDELITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.



IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

[Handwritten Signature]

A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 21, 2010

CERTIFICATION

I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect

IN TESTIMONY WHEREOF, I have hereunto set my hand this 17th day of August, 2007.

[Handwritten Signature]
Assistant Secretary

ACKNOWLEDGMENT

State of California

County of Los Angeles

On August 17, 2007 before me, Robin Ballard, Notary Public
(here insert name and title of the officer)

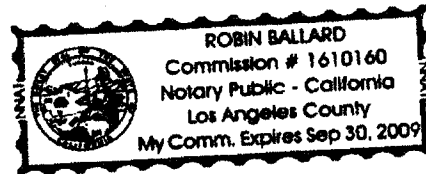
personally appeared Jennifer Tesoriero

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

Robin Ballard



(Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego

On August 20, 07 before me, Janae Laymon, Notary Public

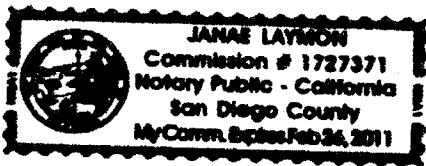
personally appeared James P. Brennan

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.



Place Notary Seal Above

Signature Janae Laymon
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: _____

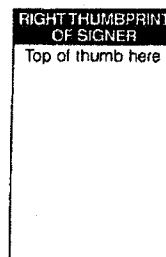
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



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: _____

SUBDIVISION MONUMENT BOND
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
(Government Code Section 66496)

Tract/Parcel Map No. 32628
Bond No. 0455245

Surety <u>International Fidelity Insurance Company</u>	Principal <u>BC Christensen Ranch, LLC</u>
Address <u>13400 Sabre Springs Pkwy</u>	Address <u>17140 Bernardo Ctr Dr. #380</u>
City/State <u>San Diego, CA</u>	City/State <u>San Diego, CA</u>
Zip <u>92128</u>	Zip <u>92128</u>
Phone <u>858-513-1795</u>	Phone <u>858-217-3144</u>

KNOW ALL MEN BY THESE PRESENTS:

That, BC Christensen Ranch, LLC,
subdivider, as principal, and International Fidelity Insurance Company,
a corporation, as surety, are hereby jointly and severally bound to pay to the County of Riverside
the sum of Twenty Five Thousand Three Hundred Dollars (\$ 25,300.00).

The condition of this obligation is that, whereas the subdivider, as a condition of the filing of the
final map of Tract/Parcel Map Number 32628, entered into an agreement with the
County of Riverside to set Survey Monuments and Tie Points in said tract and furnish Tie Notes
therefore and to pay the engineer or surveyor performing the work, in full, within 30 days after
completion.

NOW, THEREFORE, if the subdivider shall well and truly perform said agreement during the
original term thereof, or of any extension of said term that may be granted by the County of
Riverside, with or without notice to the surety, then this obligation shall become null and void;
otherwise, it shall 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 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 this agreement or to the work to be performed thereunder or the specifications
accompanying the same shall in anywise affect its obligation on this bond, and it does hereby
waive notice of any such change, extension of time, alteration or addition. Surety further
stipulates and agrees that the provisions of Section 2845 of the Civil Code and commencement of
construction are not conditions precedent to surety's obligations hereunder and are hereby
waived by surety.

SUBDIVISION MONUMENT BOND

IN WITNESS WHEREOF, this instrument has been duly executed by the principal and surety above named, on August 17, _____, 2007 _____.

NAME OF PRINCIPAL: BC Christensen Ranch, LLC a California limited liability company

By: Brenson Properties, LLC a California limited liability company, its managing member

AUTHORIZED SIGNATURE(S): By: 

James P. Brennan Title Manager

Title

Title

(IF CORPORATION, AFFIX SEAL)

NAME OF SURETY: International Fidelity Insurance Company

AUTHORIZED SIGNATURE: 

Its Attorney-in-Fact Title
Jennifer Tesoriero

(IF CORPORATION, AFFIX SEAL)

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURES OF PRINCIPAL AND ATTORNEY-IN-FACT.

POWER OF ATTORNEY INTERNATIONAL FIDELITY INSURANCE COMPANY

HOME OFFICE: ONE NEWARK CENTER, 20TH FLOOR
NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing laws of the State of New Jersey, and having its principal office in the City of Newark, New Jersey, does hereby constitute and appoint

JENNIFER TESORIERO

Clairemont, CA.

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said INTERNATIONAL FIDELITY INSURANCE COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of Article 3-Section 3, of the By-Laws adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting called and held on the 7th day of February, 1974.

The President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and,
- (2) To remove, at any time, any such attorney-in-fact and revoke the authority given.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 29th day of April, 1982 of which the following is a true excerpt:

Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.



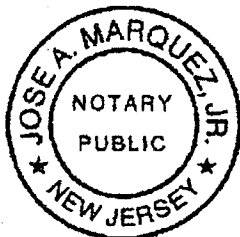
IN TESTIMONY WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 29th day of August, A.D. 2003.

STATE OF NEW JERSEY
County of Essex

INTERNATIONAL FIDELITY INSURANCE COMPANY

[Handwritten Signature]
Secretary

On this 29th day of August 2003, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of the INTERNATIONAL FIDELITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.



IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

[Handwritten Signature]

A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 21, 2010

CERTIFICATION

I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect

IN TESTIMONY WHEREOF, I have hereunto set my hand this 17th day of August, 2007.

[Handwritten Signature]
Assistant Secretary

ACKNOWLEDGMENT

State of California

County of Los Angeles

On August 17, 2007 before me, Robin Ballard, Notary Public,
(here insert name and title of the officer)

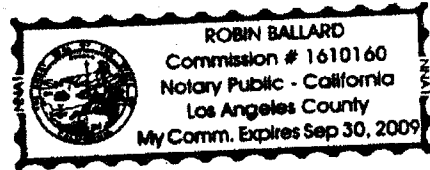
personally appeared Jennifer Tesoriero

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

Robin Ballard



(Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

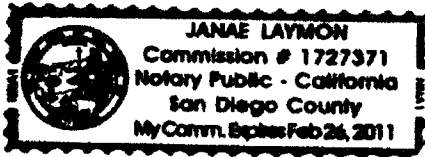
County of San Diego }

On August 20, 07 before me, Janae Laymon, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared James P. Brennan
Name(s) 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.

Place Notary Seal Above

Signature Janae Laymon
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: _____

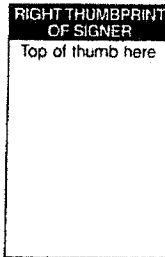
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

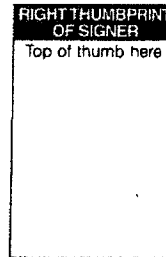
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



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: _____

Exhibit C - Agreed Scope of Work

The Agreed Scope of Work includes and is limited to the construction and installation of the following identified work required under the plans for the *Agreement for the Construction of Road/Drainage Improvements*, *Agreement for the Construction of Water System Improvements*, *Agreement for the Construction of Sewer System Improvements*, and *Agreement for the Placement of Survey Monuments*, each entered into between BC Christensen Ranch, LLC and County of Riverside, State of California:

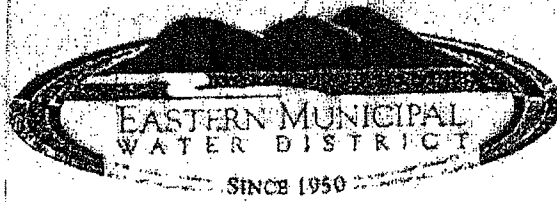
1. all offsite demolition
2. relocation of mail box
3. resetting the grade of utility boxes
4. all offsite wing walls & cut-off walls
5. all offsite P.C.C. curbs, gutters, driveway approaches, curb ramps, cross gutters & spandrels
6. all offsite A.C. dike
7. all offsite street improvements
8. all offsite pavement and striping
9. all offsite road & street signage
10. removal of three existing street lights long Antelope Road
11. installation of two new pole-mounted street lights along Antelope Road
12. traffic signal and street lighting at the intersection of Antelope Road and Craig Avenue
13. all offsite storm drainage and appurtenances
14. offsite sewer system work detailed in the attached EMWD punch list signed 5/20/2009
15. offsite water system work detailed in the attached EMWD punch lists signed 5/20/2009 and 6/3/2009

IFIC shall forfeit the penal sum of the *Subdivision Monument Bond, No. 0455245*, in the amount of \$25,300.00, and remit payment of same to the County. Upon payment of the penal sum of the *Subdivision Monument Bond*, County shall cancel, release and return the original Monument Bond to IFIC.

All other work under the plans for the *Agreement for the Construction of Road/Drainage Improvements*, *Agreement for the Construction of Water System Improvements*, *Agreement for the Construction of Sewer System Improvements*, and *Agreement for the Placement of Monuments* is excluded from the Agreed Scope of Work including but not limited to:

1. all irrigation, trees, & landscaping
2. all onsite grading
3. all onsite riprap
4. all onsite P.C.C. curbs, gutters, curb ramps, cross gutters, spandrels & driveway approaches
5. all P.C.C. sidewalks
6. all onsite street improvements
7. all onsite pavement & striping

8. all onsite road & street signage
9. all onsite A.C. overlay and fog seal
10. all onsite street lighting
11. all onsite dry utilities
12. all onsite storm drainage
13. all onsite sewer system
14. all onsite water system
15. all onsite under-sidewalk drains
16. all offsite street lighting other than that specified in Item Nos. 10, 11, and 12 in the list of inclusion items above
17. setting all survey monuments and tie points, furnishing tie notes to County Surveyor, and any and all other work covered by the *Agreement for the Placement of Monuments*.



FAX TRANSMITTAL COVER SHEET

Number of pages, including cover sheet: 4

Please Deliver To:

Name: Chuck Stup

Fax No: (505) 474-6772 Date: 05/21/09

Firm: _____

From: Michele Burris

Please review and call me at Ext. _____

Per your request/our conversation

For your information

Additional information/comments:

Attached is the punch list items for TR. 32628 Christiansen Ranch.

If you do not receive all pages, please call:

Michele Burris, Fax Operator, at (951) 928-3777, Ext. 4830

EMWD 2270 Trumble Road, Perris, CA 92570 (951) 928-3777, Fax (951) 928-6111
P.O. Box 8300, Perris, CA 92572-8300

The text contained herein is considered confidential and is intended to be read only by the person to whom it is addressed. It is a breach of confidentiality for this facsimile transmission to be read by any person other than the intended recipient without the permission of the transmitting sender or the intended recipient.

Copy

CONSTRUCTION PUNCH LIST

To Contractor: _____ Via Supt: _____

Construction Project: CHRISTENSEN PUNCH ^{TRACT} No. 3-2628

Punch List # _____ C. O. No. 67758

Contract Completion Date: _____

The following items need attention prior to acceptance.

No.	Deficient Item	Date	Accepted Insp's initials
	See attachments (Copies of Construction Deficiency logs may be attached, where appropriate)		
1.	Valve room at st. 9+71 needs to be raised and painted.		
2.	6" B.O. at st. 14+52 needs access pad and valve room must be raised and painted.		
3.	CTS test stations need to be brought to spec. B-667 ^{st. 21+14 to st. 21+16}		
4.	A.V. at st. 20+36 needs to be per B-598: Missing Box and paint		
5.	A.V. at st. 21+56 needs to be painted, missing box		
6.	Valves at st. 29+06 need to be raised and painted.		
7.	Drum at st. 29+33 needs support and to be painted		
8.	E.H. at st. 30+33 needs 3x3x3 pad, painted and valve can must be raised and painted		
9.	Waterline from st. 29+06 to st. 36+16 needs to be hydro tested, Backfls and tied in ^{at} Tee on Craig Rd.		
10.	2 12" valves must be installed at st. 33+00 ⁹⁺⁶⁸ on Craig Rd.		
11.	A.V. at st. 35+98 must be per B-598		
12.	Remove ¹⁵⁶ of existing 12" AC Pipe and install 12" class 200 C900 from st. 9+68 to st. 11+24 on Craig Rd.		
13.	Reconnect existing E.H. to new waterline at st. 10+68		

Submitted by: [Signature]

Date: 5/20/09

CC Engineering Spec. Book
 Copy to Contractor
 Copy to Superintendent

CONSTRUCTION PUNCH LIST

To Contractor _____ Via Supt. _____

Construction Project: CHRISTENSEN RANCH Spec. No. _____

Punch List # 1 C. O. No. 67758/59

Contract Completion Date: _____

The following items need attention prior to acceptance.

No.	Deficient Item	Date	Accepted Insp's initials
	See attachments (Copies of Construction Deficiency logs may be attached, where appropriate)		
11	Hot tap and install P.H. per B-862 at st 13193		
12	Hot tap and install manifold at st 15110 which include 3 4" gate valves & 12" hot tap and 3 2" services which all covered backflow devices		
13	Hot tap existing 24" PVC waterline on Willow Wood way		
14	Remove approx 163' of existing A.C. pipe and dispose. Removal of A.C. pipe will require 4 existing customers to remain in service while new line is installed.		
15	Install 163' of C900 pipe down Willow Wood way		
16	Remove existing 12" valve going north on Willow Wood way and blind flange.		
17	Reconnect existing F.H. to new water line at the corner of Craig ^{co.} and Willow Wood way.		
18	ENIS and print valves ENIS at st 19454 (Craig way) and st 20417		
19	ENTIRE TRENCH of water and service lines needed		
Submitted by <u>BOB THOMAS</u>		Date: _____	

CC Engineering Spec Book
Copy to Contractor
Copy to Superintendent



FAX TRANSMITTAL COVER SHEET

Number of pages, including cover sheet: _____

Please deliver to:

Name: Chuck Stup

Firm: SOS 474-6772

Fax No: _____ Date: 6.3.09

From: MARIO RODRIGUEZ

Please review and call me at Ext. 4837

Per your request for conversation

For your information

Additional information/comments:

Attached is punch list that has some
corrections.

If you do not receive all pages, please call:

_____, Fax Operator at (951) 928-3777 ext. _____

EMWD 2270 Trimble Road, Perris, CA 92570, (951) 928-3777, Fax (951) 928-6110
P.O. Box 8300, Perris, CA 92572-8300

The text contained herein is considered confidential and is intended to be read only by the person to whom it is addressed. It is a breach of confidentiality for this facsimile transmission to be read by any person other than the intended recipient without the permission of the transmitting sender or the intended recipient.

CONSTRUCTION PUNCH LIST

To Contractor: _____ Via Supt.: _____

Construction Project: CHRISTIANSEN RANCH Spec. No. _____

Punch List # 2 C. O. No. 67759/59

Contract Completion Date: _____

The following items need attention prior to acceptance.

No.	Deficient item	Accepted	
		Date	Insp's. initials
	See attachments _____ (Copies of Construction Deficiency logs may be attached, where appropriate)		
1.	Fire Hydrant ^{RUN} at St. 13+93 is not a hot tap it needs to be installed while NEW LINE IS being installed. (NOTE #11 on Previous Punchlist)		
2.	Manifold at St. 15+10 is not a hot tap it must be installed while NEW LINE IS being installed. (NOTE #12 on Previous Punchlist)		
3.	Manifold at St. 15+10 includes a 12" Gate valve and two 4" Gate VALVES. Existing Backflows and DCA must be brought up right of way stakes and no further than 13' from meters. DCA must be at P.L. (NOTE #12 on Previous Punchlist)		
4.	Fire Hydrant ^{RUN} at St. 30+33 must be installed only the tee ^{RUN} on the mainline is in. Fire Hydrant then needs 3x3x3 pad, painted and valve cap must be raised and painted. (NOTE #9 on Previous punchlist)		

Submitted by: Mario Rody

Date: 6/3/01

- CC Engineering Spec. Book
- Copy to Contractor
- Copy to Superintendent