

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

313A



FROM: TLMA – Transportation Department

SUBMITTAL DATE:
October 9, 2013

SUBJECT: Tract 29114, 29114-2 and 32049 Subdivision Settlement Agreement and Mutual Release, Third Supervisorial District/Third Supervisorial District [\$2,000,000] Settlement Funds

RECOMMENDED MOTION: That the Board of Supervisors approve and execute the attached Settlement Agreement and Mutual Release, which allows Arch Insurance Company to pay to the County of Riverside (County) the total sum of two million dollars and no cents (\$2,000,000.00) in connection with the above subdivisions and Mutual Release of Subdivision Bonds.

BACKGROUND:

Summary

On March 27, 2007, pursuant to Government Code Section 66462, the County, acting through the Board of Supervisors and Barratt American Incorporated, entered into Subdivision Improvement Agreements for the construction of streets and the installation of water and sewer systems within Tract 29114. Faithful Performance Bonds with Materials and Labor Bonds were posted by Arch Insurance Company to guarantee the completion of the improvements within the subdivision.

Juan C. Perez
Director of Transportation and Land Management

FORM APPROVED COUNTY COUNSEL
BY: *ElenKM Boeva* 10-10-13
DATE

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: N/A
There are not General Funds used in this project.

Budget Adjustment: N/A
For Fiscal Year: N/A

C.E.O. RECOMMENDATION: APPROVE
BY: *Tina Grande*
Tina Grande
County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Stone and Ashley
Nays: None
Absent: Benoit
Date: November 5, 2013
xc: Transp.

Kecia Harper-Ihem
Clerk of the Board
By: *[Signature]*
Deputy

- A-30
- Positions Added
- 4/5 Vote
- Change Order

3-51

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Tract 29114, 29114-2 and 32049 Subdivision Settlement Agreement and Mutual Release,
Third District Supervisor
DATE: October 9, 2013
PAGE: 2 of 2

BACKGROUND:

Summary (continued)

On December 21, 2004, pursuant to Government Code Section 66462, the County, acting through the Board of Supervisors and Barratt American Incorporated, entered into Subdivision Improvement Agreements for the construction of streets and the installation of water and sewer systems within Tract 29114-2. Faithful Performance Bonds and Materials and Labor Bonds were posted by Arch Insurance Company to guarantee the completion within the subdivision. All Subdivision improvement work has been completed for Tract 29114-2, and the County has issued a Notice of Completion.

On July 17, 2007, pursuant to Government Code Section 66462, the County, acting through the Board of Supervisors and Barratt American Incorporated, entered in Subdivision Improvement Agreements for the construction of streets and the installation of water and sewer systems within Tract 32049. Faithful Performance Bonds and Materials and Labor Bonds were posted by Arch Insurance Company to guarantee the completion within the subdivision.

Tract 29114 has a portion of the total tract improvements complete with some residential dwelling units, which are constructed and occupied. Tract 32049 has a small portion of the total tract improvements complete with some residential dwelling units, which are constructed and are unoccupied.

Through a series of negotiations, the County and Arch Insurance Company reached an agreement whereby Arch Insurance Company will provide their share of the construction cost for the Skyview Road Bridge, and the County will cause the construction of the bridge at some point in the future when, the County determines that the bridge is necessary for public health and safety as the area continues to grow and develop. In consideration of this Agreement, Arch Insurance Company will pay to the County two million dollars and no cents (\$2,000,000) as full and complete satisfaction of any and all claims that the County has asserted against Arch Insurance Company. Once payment has been received by the County, a Mutual Release of Claims will be executed. The County has also entered into separate agreements with Ryland Homes and Bellacap for their contributions toward the channel and bridge improvements, which together with this settlement reached with Arch Insurance Company will provide the necessary funding for this future work.

Impact on Citizens and Businesses

The execution of this agreement allows for the funding of the construction of certain future improvements that may become necessary for the safety and welfare of the residents in these developments, the surrounding public, and environment.

SUPPLEMENTAL:

Additional Fiscal Information

There is no fiscal impact to the County.

Contract History and Price Reasonableness

N/A

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release ("Agreement") is made and entered into by and between Arch Insurance Company ("Arch") and the County of Riverside ("County") effective on the date this Agreement is approved by the Board of Supervisors for the County of Riverside ("Effective Date").

RECITALS

A. WHEREAS, Barratt American Incorporated ("Barratt") was the owner and developer of a residential housing projects in the County of Riverside ("County"), on Tract Nos. 29114, 29114-2 and 32049. (Hereinafter, all of the Tracts are referred to collectively as the "Project").

B. WHEREAS, on or about December 21, 2004, Barratt entered into Subdivision Improvement Agreements with the County for the installation of street and drainage improvements, water system improvements, sewer system improvements and placement of survey monuments for Tract No. 29114-2.

C. WHEREAS, all Subdivision Improvement Work has been completed for Tract No. 29114-2, and the County has issued its Notice of Completion on said Tract.

D. WHEREAS, on or about March 27, 2007, Barratt entered into Subdivision Improvement Agreements with the County for the installation of streets and drainage improvements, water system improvements, sewer system improvements and placement of survey monuments for Tract No. 29114. The Subdivision Improvement Agreements are incorporated in this Agreement by reference as though fully set forth herein and are expressly made a part of this Agreement, and are attached hereto as Exhibit "A".

E. WHEREAS, on or about July 17, 2007, Barratt entered into Subdivision Improvement Agreements with the County for the installation of road and drainage improvements, water system improvements, sewer system improvements and placement of survey monuments for Tract No. 32049 for both onsite and offsite improvements. The Subdivision Improvement Agreements are incorporated in this Agreement by reference as though fully set forth herein and are expressly made a part of this Agreement, and are attached hereto as Exhibit "B". Barratt and the County also entered into an agreement entitled: Project Agreement Road and Bridge Benefit District (Southwest Area-Winchester Road) on or about July 31, 2007. A true and accurate copy of this agreement is attached hereto as Exhibit "C".

F. WHEREAS, on or about November 23, 2004, pursuant to California Government Code Section 66499 et seq., Arch issued Faithful Performance Bonds and Material and Labor Bonds each bearing number SU5011895 and Subdivision Monument Bond numbered SU5011896 (hereinafter the "Tract 29114-2 Bonds", and collectively with all other bonds referenced herein the "Bonds") for the Tract No. 29114-2 improvements, as

security for the construction of the public improvements to be installed under the Subdivision Improvement Agreements.

G. WHEREAS, on or about January 13, 2006, pursuant to California Government Code Section 66499 et seq., Arch issued Faithful Performance Bonds and Material and Labor Bonds each bearing number SU5018194, a Subdivision Monument Bond numbered SU5018195, (hereinafter the "Tract 29114 Bonds", and collectively with all other bonds referenced herein the "Bonds") for the Tract No. 29114 improvements, as security for the construction of the public improvements to be installed under the Subdivision Improvement Agreements. The Bonds are incorporated in this Agreement by reference as though fully set forth herein and are expressly made a part of this Agreement, and are attached hereto as Exhibit "D".

H. WHEREAS, on or about July 14, 2006, pursuant to California Government Code Section 66499 et seq., Arch issued Faithful Performance Bonds and Material and Labor Bonds each bearing number SU5020993, a Subdivision Monument Bond numbered SU5020994 (hereinafter the "Tract 32049 Onsite Bonds", and collectively with all other bonds referenced herein the "Bonds") for the Tract No. 32049 onsite improvements, as security for the construction of the public improvements to be installed under the Subdivision Improvement Agreements. The Bonds are incorporated in this Agreement by reference as though fully set forth herein and are expressly made a part of this Agreement, and are attached hereto as Exhibit "E".

I. WHEREAS, on or about July 14, 2006, pursuant to California Government Code Section 66499 et seq., Arch issued Faithful Performance Bonds and Material and Labor Bonds each bearing number SU5020995, (hereinafter the "Tract 32049 Offsite Bonds", and collectively with all other bonds referenced herein the "Bonds") for the Tract No. 32049 offsite improvements, as security for the construction of the public improvements to be installed under the Subdivision Improvement Agreements and the Project Agreement Road and Bridge Benefit District (Southwest Area-Winchester Road). The Bonds are incorporated in this Agreement by reference as though fully set forth herein and are expressly made a part of this Agreement, and are attached hereto as Exhibit "F".

J. WHEREAS, after construction of the public improvements on the Project commenced, Barratt experienced financial difficulties and was unable to complete the remaining work.

K. WHEREAS, the County, as a beneficiary under the Bonds, made a demand upon Arch to complete construction of the remaining public improvements at the Project, and on March 19, 2012 filed a complaint in the Superior Court for the County of Riverside, entitled County of Riverside v. Arch Insurance Company, case No. RIC 1203904 (the "Action") seeking damages for the completion of the bonded public improvements.

L. WHEREAS, Arch, on May 8, 2012, answered the complaint, denying any and all liability.

M. WHEREAS, in exchange for valuable consideration offered by each Party, the Parties have agreed to enter into this Agreement for the purpose of resolving all outstanding issues and claims arising from the Bonds, the Project, and the Action, subject to the terms and conditions of this Agreement.

N. WHEREAS, this Agreement is intended to resolve all issues between Arch and the County with regard to any claims arising from the Bonds, the Project, and the Action, fully, finally and forever, as set forth herein.

NOW, THEREFORE, based on the exchange of valuable consideration, the receipt and sufficiency of which is acknowledged, and based on the Recitals set forth above which form a part of this Agreement, Arch and the County mutually agree as follows:

1. The recitals set forth hereinabove in paragraphs A through N, inclusive, are incorporated herein by this reference as though fully set forth herein at length.

2. **Payment by ARCH.** In consideration for this Agreement and the terms and conditions set forth herein, Arch shall pay to the County the total sum of Two Million Dollars and No Cents (\$2,000,000.00) ("Payment") in full and complete satisfaction of any and all claims, including all interest, attorneys' fees, and costs that the County has asserted or could have asserted against Arch in connection with the Project, the Bonds, and the Action. Payment will be made by ARCH within twenty (20) days of the execution of this Agreement by the County. Within ten (10) business days of receipt of the Payment issued by Arch and clearance of the Payment by an appropriate financial institution, the County will dismiss the Action with prejudice.

3. **Mutual Release of Claims.** Except for the obligations set forth in, created by or reserved by this Agreement, the Parties, for themselves, and for all of their heirs, executors, administrators, successors and assigns, do hereby fully and forever release, discharge, and dismiss any and all present and future claims, demands, action, causes of action, rights, damages, costs, expenses and compensations whatsoever, in law or in equity, in the nature of an administrative proceeding or otherwise (known, unknown, contingent, accrued, inchoate or otherwise), that they have, have had or may have, now or in the future, against one another, and all companies, partnerships, individuals, associated or affiliated or otherwise connected with them, and of their agents, attorneys, servants, consultants, successors, heirs, executors, associations or partnerships, arising out of or relating in any way to the Project, the Bonds, and the Action.

Except for the obligations set forth in, created by or reserved by this Agreement, ARCH does hereby fully and forever release, discharge, and dismiss any and all present and future claims, demands, action, causes of action, rights whatsoever, in law or in equity that ARCH has, have had or may have, now in in the future, against Ryland Homes of California, Inc. (a Delaware Corporation), and Fidelity and Deposit Company of Maryland, their agents, attorneys, servants, consultants, successors, heirs, executors, associations or partnerships, arising out of or relating in any way to the Project and the Bonds.

4. **Release of Bonds.** Once the Payment has been made by ARCH to the County, the County shall release the Faithful Performance Bonds and Subdivision Monument Bonds, and return the originals of same to Arch.

5. **Waiver of Statutory Rights.** Except for the obligations set forth in, created by, or reserved by this Agreement, the Parties hereby acknowledge that they are familiar with California Civil Code §1542, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his settlement with the debtor.

Except as provided for under the terms of this Agreement, the Parties waive and relinquish any and all rights and benefits which they may have under, or which may be conferred upon them by, the provisions of § 1542 of the California Civil Code and/or by any similar law of any state or territory of the United States, to the fullest extent that they may lawfully waive such rights or benefits pertaining to the subject matter of this Agreement. In connection with such waiver and relinquishment, the Parties acknowledge that they are aware that they or their attorneys may hereafter discover claims or facts in addition to or different from those which each of them now knows or believes to exist with respect to the subject matter of, or any part to, this Agreement, but that it is the intention of the Parties to hereby fully, finally and forever waive said claims, whether known or unknown, suspected or unsuspected, which concern, arise out of, or are in any way connected with the Project, the Bonds, and the Action.

6. **Exclusion from Scope of Agreement.** Notwithstanding any provision to the contrary, this Agreement does not address and has no effect on any claims, demands, action, causes of action and rights, in law or in equity, in the nature of an administrative proceeding or otherwise (known, unknown, contingent, accrued, inchoate or otherwise), which Arch has or may have, now or in the future, against Barratt or any parties other than the County, Ryland Homes of California, Inc. and Fidelity and Deposit Company of Maryland.

7. **Representation and Warranties.**

7.1 Except as otherwise set forth in this Agreement, each of the Parties hereby represents and warrants that it has not previously assigned or transferred in any manner, or purported to have assigned or transferred in any manner, and is the sole owner of any of the claims described or set forth in Paragraph 2 above.

7.2 Except as otherwise set forth in this Agreement, each of the Parties hereby represent and warrant that the person executing this Agreement on its behalf is duly authorized to do so, and that he/she is authorized to bind the party to the terms set forth herein.

8. **Admission of Liability.** Nothing in this Agreement shall be construed as an admission of liability by any of the Parties to this Agreement.

9. **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of California.

10. **Further Assurances.** Each party to this Agreement shall execute all instruments and documents and take all action as may be reasonably required to effectuate this Agreement.

11. **Time of Essence.** Time is of the essence with respect to each provision of this Agreement.

12. **Attorneys' Fees.** If any party shall bring an action or proceeding against another party to enforce any of the terms of this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs.

13. **Modification.** This Agreement may be modified only by a contract in writing executed by the party to this Agreement against whom enforcement of such modification is sought.

14. **Prior Understandings.** This Agreement contains the entire agreement between the Parties with respect to the subject matter of this Agreement, is intended as a final expression of such Parties' agreement with respect to such terms as are included in this Agreement, is intended as a complete and exclusive statement of the terms of such agreement, and supersedes all negotiations, stipulations, understandings, agreements, representations and warranties, if any, with respect to such subject matter, which precede or accompany the execution of this Agreement.

15. **Interpretation.** Whenever the context so requires in this Agreement, all words used in the singular shall be construed to have been used in the plural (and vice versa), each gender shall be construed to include any other genders, and the word "person" shall be construed to include a natural person, a corporation, a firm, a joint venture, a trust, an estate, or any other entity.

16. **Partial Invalidity.** Each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. If any provision of this Agreement or the application of such provision to any person or circumstance is, to any extent, deemed to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected by such invalidity or unenforceability, unless such provision or such application of such provision is essential to this Agreement.

17. **Successors-in-Interest and Assigns.** Except as otherwise set forth in this Agreement, the Parties, and each of them, shall not assign or delegate to any other person

this Agreement or any rights or obligations under this Agreement. Subject to any restriction on transferability contained in this Agreement, this Agreement shall be binding upon and shall inure to the benefit of the successors-in-interest and assigns of the Parties hereto, and each of them. Nothing in this Paragraph shall create any rights enforceable by any person other than the Parties, except for the rights of the successor-in-interest and assigns of the Parties, unless such rights are expressly granted in this Agreement to other specifically identified persons.

18. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts so executed shall constitute one Agreement binding all the Parties hereto. A photocopy or fax reproduction of an original copy of the Agreement shall be of the same binding effect as the original.

19. **No Inducement or "Drafting Party."** Each of the Parties has had the opportunity to, and has to the extent each deemed appropriate, obtained legal counsel concerning the content and meaning of this Agreement. Each of the Parties agrees and represents that no promise, inducement or agreement not herein expressed has been made to effectuate this Agreement, and that this Agreement represents the entire agreement between the Parties. Each of the Parties' respective legal counsel has reviewed and approved this Agreement. The rule of construction that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

WHEREFORE, the parties hereto have executed this Settlement Agreement by their authorized representatives.

DATED: 9-18-13

ARCH INSURANCE COMPANY

By: Susan D. Neft
Name: Susan D. Neft, Esq.
Title: Senior Surety Counsel

DATED: NOV 05 2013

COUNTY OF RIVERSIDE

John J. Benoit
By: John J. Benoit,
Chairman, Board of Supervisors

ATTEST:

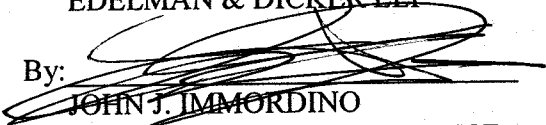
KECIA HARPER-IHEM
Clerk of the Board

BY: Kecia Harper-Ihem
Deputy

APPROVED AS TO FORM:

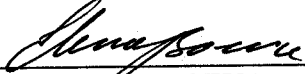
DATED: 9-18-13

WILSON, ELSER, MOSKOWITZ,
EDELMAN & DICKER LLP

By: 
JOHN J. IMMORDINO
Attorneys for ARCH INSURANCE
COMPANY

DATED: 9-26-13

PAMELA J. WALLS, County
Counsel

By: 
ELENA M. BOEVA
Deputy County Counsel
Attorneys for COUNTY OF
RIVERSIDE

**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 BARRATT AMERICAN INCORPORATED, A DELAWARE CORPORATION, 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 29114, 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 four hundred forty thousand and no/100 Dollars (\$4,440,000.00).

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 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 judgement, all such costs, expenses and fees shall be taxed as costs and included in any judgement 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:

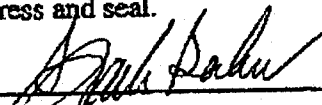
County

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

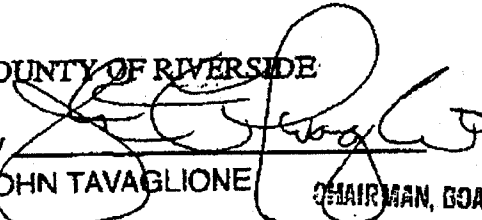
Contractor

BARRATT AMERICAN INCORPORATED,
A DELAWARE CORPORATION
5950 PRIESTLY DRIVE
CARLSBAD, CA 92008

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

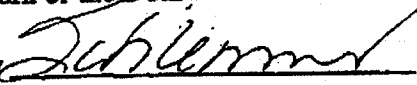
By 
G. Jack Becker
Title Vice President

By _____
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. RANK, County Counsel

By 

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

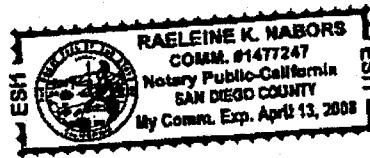
CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
COUNTY OF SAN DIEGO)

On January 13, 2006, before me, RAELEINE K. NABORS, Notary Public,
personally appeared G. JACK BECKER 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]
Signature



(Seal)

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

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- INDIVIDUAL
- CORPORATE OFFICER
- VICE PRESIDENT

CAPISTRANO-Improvement
Road & Drainage Agreement

TITLE

TITLE OR TYPE OF DOCUMENT

- PARTNERS
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: _____

- LIMITED
- GENERAL

 3
NUMBER OF PAGES

 JANUARY 11, 2006
DATE OF DOCUMENT

SIGNER IS REPRESENTING:
(NAME OF PERSON OR ENTITY)

 BARRATT AMERICAN INCORPORATED

**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 BARRATT AMERICAN INCORPORATED, A DELAWARE CORPORATION 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 29114, 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 ninety-six thousand five hundred and no/100 Dollars (\$396,500.00).

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 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 judgement, all such costs, expenses and fees shall be taxed as costs and included in any judgement 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:

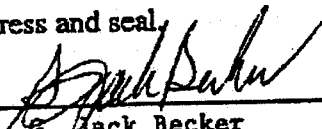
County

Contractor

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

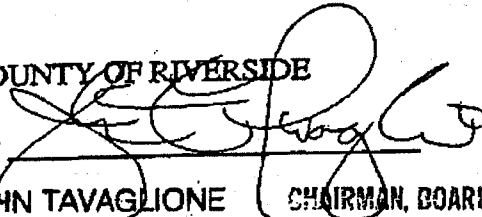
BARRATT AMERICAN INCORPORATED,
A DELAWARE CORPORATION
5950 PRIESTLY DRIVE
CARLSBAD, CA 92008

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

By 
G. Jack Becker
Title Vice President

By _____
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. RANK, County Counsel

By 

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

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
 COUNTY OF SAN DIEGO)

On January 13, 2006, before me, RAELEINE K. NABORS, Notary Public, personally appeared G. JACK BECKER 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.

[Handwritten Signature]

Signature



(Seal)

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

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- INDIVIDUAL
- CORPORATE OFFICER
- VICE PRESIDENT

CAPISTRANO-Improvement
Water System Agreement

TITLE

TITLE OR TYPE OF DOCUMENT

PARTNERS

LIMITED
 GENERAL

 3
NUMBER OF PAGES

- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: _____

 JANUARY 11, 2006
DATE OF DOCUMENT

SIGNER IS REPRESENTING:
(NAME OF PERSON OR ENTITY)

 BARRATT AMERICAN INCORPORATED

**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 BARRATT AMERICAN INCORPORATED, A DELAWARE CORPORATION 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 29114, 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 Easter 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 eighty-one thousand five hundred and no/100 Dollars (\$181,500.00).

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 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 judgement, all such costs, expenses and fees shall be taxed as costs and included in any judgement 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 1 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:

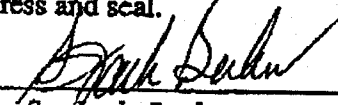
County

Contractor

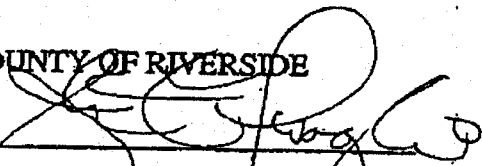
Construction Engineer
Riverside County Transportation Dept.
2950 Washington Street
Riverside, CA 92504

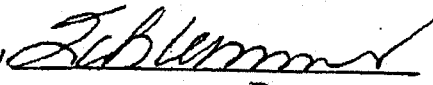
BARRATT AMERICAN INCORPORATED,
A DELAWARE CORPORATION
5950 PRIESTLY DRIVE
CARLSBAD, CA 92008


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

By 
G. Jack Becker
Title Vice President

By _____
Title _____

COUNTY OF RIVERSIDE
by 
JOHN TAVAGLIONE CHAIRMAN, BOARD OF SUPERVISORS

TEST:
ANCY ROMERO,
Clerk of the Board

Deputy

PROVED AS TO FORM
E.S. RANK, County Counsel


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

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)

On January 13, 2006, before me, RAELEINE K. NABORS, Notary Public, personally appeared G. JACK BECKER 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.

[Handwritten Signature]

Signature



(Seal)

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

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- INDIVIDUAL
CORPORATE OFFICER (checked)
VICE PRESIDENT

CAPISTRANO-Improvement
Sewer System Agreement

TITLE

TITLE OR TYPE OF DOCUMENT

- PARTNERS
ATTORNEY-IN-FACT
TRUSTEE(S)
GUARDIAN/CONSERVATOR
OTHER:

- LIMITED
GENERAL

3
NUMBER OF PAGES

JANUARY 11, 2006
DATE OF DOCUMENT

SIGNER IS REPRESENTING:
(NAME OF PERSON OR ENTITY)

BARRATT AMERICAN INCORPORATED

**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 BARRATT AMERICAN INCORPORATED, A DELAWARE CORPORATION 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 29114, 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 Forty-eight thousand and no/100 Dollars \$48,000.00.

SECOND: Contractor agrees to pay to County the actual cost of such inspections of the work and improvements as may be required by the 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 judgement, all such costs, expenses and fees shall be taxed as costs and included in any judgement 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 specified, 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:

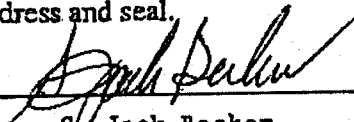
County

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

Contractor

BARRATT AMERICAN INCORPORATED,
A DELAWARE CORPORATION
5950 PRIESTLY DRIVE
CARLSBAD, CA 92008

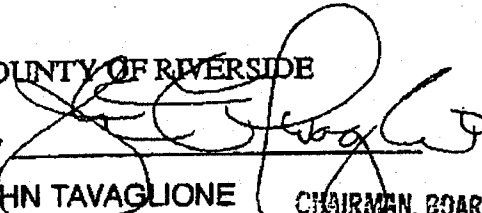
IN WITNESS WHEREOF, Contractor has affixed his name, address and seal.

By 
G Jack Becker
Title Vice President

By _____


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. RANK, County Counsel

By 

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

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

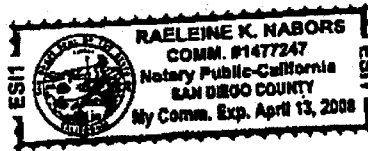
STATE OF CALIFORNIA)
)
 COUNTY OF SAN DIEGO)

On January 13, 2006, before me, RAELEINE K. NABORS, Notary Public, personally appeared G. JACK BECKER 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.

[Handwritten Signature]

Signature



(Seal)

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

<p>CAPACITY CLAIMED BY SIGNER</p> <p><input type="checkbox"/> INDIVIDUAL <input checked="" type="checkbox"/> CORPORATE OFFICER <input type="checkbox"/> VICE PRESIDENT</p> <p style="text-align: center;">TITLE</p>	<p>DESCRIPTION OF ATTACHED DOCUMENT</p> <p>CAPISTRANO-Monumentation Survey Monument Agreement</p> <p style="text-align: center;">TITLE OR TYPE OF DOCUMENT</p>
<p><input type="checkbox"/> PARTNERS <input type="checkbox"/> ATTORNEY-IN-FACT <input type="checkbox"/> TRUSTEE(S) <input type="checkbox"/> GUARDIAN/CONSERVATOR <input type="checkbox"/> OTHER: _____</p>	<p><input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL</p> <p style="text-align: center;">3 NUMBER OF PAGES</p> <p style="text-align: center;">JANUARY 11, 2006 DATE OF DOCUMENT</p>

SIGNER IS REPRESENTING:
 (NAME OF PERSON OR ENTITY)

BARRATT AMERICAN INCORPORATED

EXHIBIT B

**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 Barratt American Incorporated, 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 32049 (Onsite Improvements), 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 Three million three hundred seventy-five thousand one hundred and no/100 Dollars (\$3,375,100.00).

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 judgement, all such costs, expenses and fees shall be taxed as costs and included in any judgement 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:

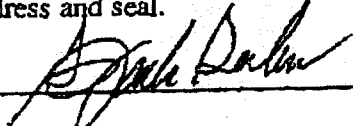
County

Contractor

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

Barratt American Incorporated
A Delaware Corporation
5950 Priestly Drive
Carlsbad, CA 92008

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

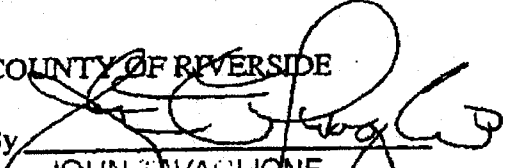
By 

Title G. Jack Becker, Vice President

By _____

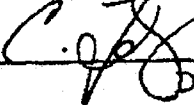
Title _____

COUNTY OF RIVERSIDE

By 
JOHN T. AVAGLIONE
CHAIRMAN, BOARD OF SUPERVISORS

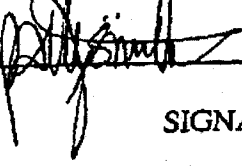
ATTEST:

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 TRIPPLICATE

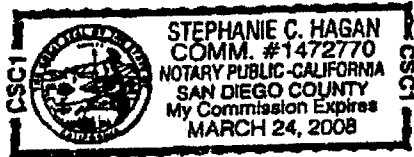
CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
 COUNTY OF SAN DIEGO)

On July 17, 2006, before me, STEPHANIE C. HAGAN, Notary Public, personally appeared G. JACK BECKER, 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.

Stephanie C. Hagan
 Signature



(Seal)

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

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL		
<input checked="" type="checkbox"/> CORPORATE OFFICER		Bellasol
<input type="checkbox"/> VICE PRESIDENT		Road/Drainage Improvements Agreement.
	TITLE	TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/> PARTNERS	<input type="checkbox"/> LIMITED	<u>3</u>
<input type="checkbox"/> ATTORNEY-IN-FACT	<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> TRUSTEE(S)		<u>July 17, 2006</u>
<input type="checkbox"/> GUARDIAN/CONSERVATOR		DATE OF DOCUMENT
<input type="checkbox"/> OTHER:		

SIGNER IS REPRESENTING:
 (NAME OF PERSON OR ENTITY)

BARRATT AMERICAN INCORPORATED

**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 Barratt American Incorporated, 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 32049 (Onsite Improvements), 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 Four hundred fifty-seven thousand and no/100 Dollars (\$457,000.00).

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 judgement, all such costs, expenses and fees shall be taxed as costs and included in any judgement 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:

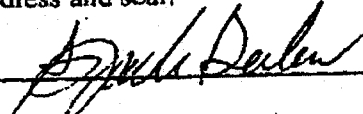
County

Contractor

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

Barratt American Incorporated
A Delaware Corporation
5950 Priestly Drive
Carlsbad, CA 92008

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

By 

Title G. Jack Becker, Vice President

By _____

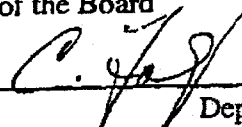
Title _____

COUNTY OF RIVERSIDE

By 
JOHN D. VAGIONE
CHAIRMAN, BOARD OF SUPERVISORS

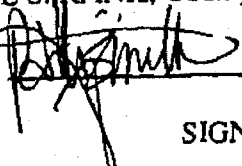
ATTEST:

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 TRIPPLICATE

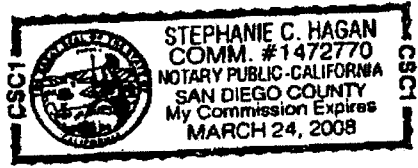
CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
 COUNTY OF SAN DIEGO)

On July 17, 2006, before me, STEPHANIE C. HAGAN, Notary Public, personally appeared G. JACK BECKER, 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.

Stephanie C. Hagan
 Signature



(Seal)

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

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

INDIVIDUAL
 CORPORATE OFFICER
 VICE PRESIDENT

 TITLE

Bellasol - Water System Improvements Agmt.
 TITLE OR TYPE OF DOCUMENT

PARTNERS
 ATTORNEY-IN-FACT
 TRUSTEE(S)
 GUARDIAN/CONSERVATOR
 OTHER: _____

LIMITED
 GENERAL

3
 NUMBER OF PAGES

July 17, 2006
 DATE OF DOCUMENT

SIGNER IS REPRESENTING:
 (NAME OF PERSON OR ENTITY)

BARRATT AMERICAN INCORPORATED

**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 Barratt American Incorporated, 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 32049 (Onsite Improvements), 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 Two hundred seventy-nine thousand and no/100 Dollars (\$279,000.00).

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 judgement, all such costs, expenses and fees shall be taxed as costs and included in any judgement 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.

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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.

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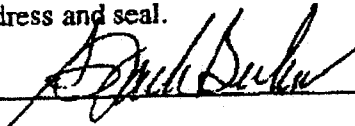
County

Contractor

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

Barratt American Incorporated
A Delaware Corporation
5950 Priestly Drive
Carlsbad, CA 92008

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

By 

Title G. Jack Becker, Vice President

By _____

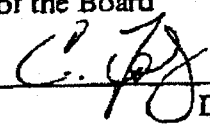
Title _____

COUNTY OF RIVERSIDE

By 
JOHN TAVAGLIONE
CHAIRMAN, BOARD OF SUPERVISORS

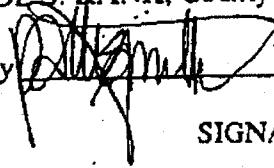
ATTEST:

NANCY ROMERO,
Clerk of the Board

By  Deputy

APPROVED AS TO FORM

JOE S. RANK, County Counsel

By 

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

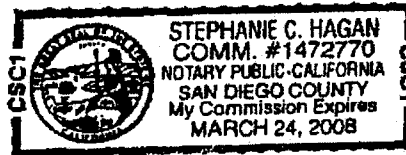
CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
 COUNTY OF SAN DIEGO)

On July 17, 2006, before me, STEPHANIE C. HAGAN, Notary Public, personally appeared G. JACK BECKER, 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.

Stephanie C. Hagan
 Signature



(Seal)

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

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL <input checked="" type="checkbox"/> CORPORATE OFFICER <input type="checkbox"/> VICE PRESIDENT	Bellasol Sewer System Improvements Agreement
TITLE	TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/> PARTNERS <input type="checkbox"/> ATTORNEY-IN-FACT <input type="checkbox"/> TRUSTEE(S) <input type="checkbox"/> GUARDIAN/CONSERVATOR <input type="checkbox"/> OTHER: _____	<input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL
	<u>3</u> NUMBER OF PAGES
	<u>July 17, 2006</u> DATE OF DOCUMENT

SIGNER IS REPRESENTING:
 (NAME OF PERSON OR ENTITY)

BARRATT AMERICAN INCORPORATED

**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 Barratt American Incorporated, 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 **Tract 32049 (Onsite Improvements)**, 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 **Twelve thousand two hundred and no/100 Dollars (\$12,200.00)**.

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 judgement, all such costs, expenses and fees shall be taxed as costs and included in any judgement 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

Contractor

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

Barratt American Incorporated
A Delaware Corporation
5950 Priestly Drive
Carlsbad, CA 92008

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

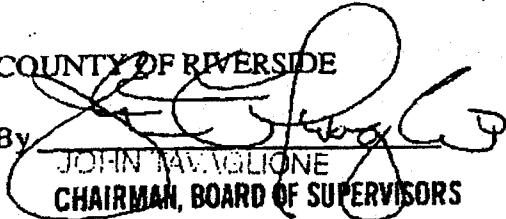
By 

Title G. Jack Becker, Vice President

By _____

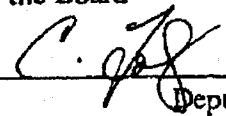
Title _____

COUNTY OF RIVERSIDE

By 
JOHN FAVAGLIONE
CHAIRMAN, BOARD OF SUPERVISORS

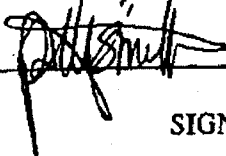
ATTEST:

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 TRIPPLICATE

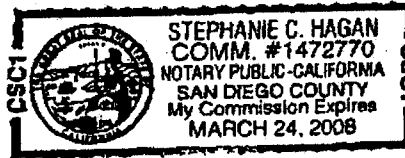
CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
 COUNTY OF SAN DIEGO)

On July 17, 2006, before me, STEPHANIE C. HAGAN, Notary Public, personally appeared G. JACK BECKER, 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.

Stephanie C. Hagan
 Signature



(Seal)

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

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL		
<input checked="" type="checkbox"/> CORPORATE OFFICER		Bellasol
<input type="checkbox"/> VICE PRESIDENT		Placement of Survey Monuments Agreement
	TITLE	TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/> PARTNERS	<input type="checkbox"/> LIMITED	<u>3</u>
<input type="checkbox"/> ATTORNEY-IN-FACT	<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> TRUSTEE(S)		<u>July 17, 2006</u>
<input type="checkbox"/> GUARDIAN/CONSERVATOR		DATE OF DOCUMENT
<input type="checkbox"/> OTHER: _____		

SIGNER IS REPRESENTING:
 (NAME OF PERSON OR ENTITY)

BARRATT AMERICAN INCORPORATED

**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 Barratt American Incorporated, 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 32049 (Offsite Improvements), 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 nine hundred eight thousand six hundred and no/100 Dollars (\$4,908,600.00).

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 judgement, all such costs, expenses and fees shall be taxed as costs and included in any judgement 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.

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:

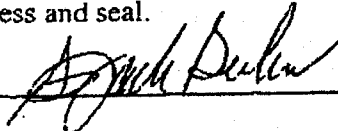
County

Contractor

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

Barratt American Incorporated
A Delaware Corporation
5950 Priestly Drive
Carlsbad, CA 92008

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

By 

Title G. Jack Becker, Vice President

By _____

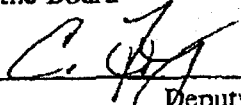
Title _____

COUNTY OF RIVERSIDE

By 
JOHN TAVAGLIONE
CHAIRMAN, BOARD OF SUPERVISORS.

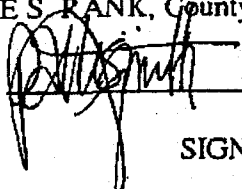
ATTEST:

NANCY ROMERO,
Clerk of the Board

By 
Deputy

APPROVED AS TO FORM

JOE S. RANK, County Counsel

By 

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

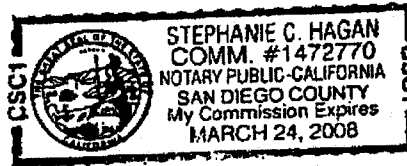
CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
 COUNTY OF SAN DIEGO)

On July 17, 2006, before me, STEPHANIE C. HAGAN, Notary Public, personally appeared G. JACK BECKER, 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.

Stephanie C. Hagan
 Signature



(Seal)

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

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL		
<input checked="" type="checkbox"/> CORPORATE OFFICER		Bellasol
<input type="checkbox"/> VICE PRESIDENT		Road/Drainage Improvements Agreement.
	TITLE	TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/> PARTNERS	<input type="checkbox"/> LIMITED	<u>3</u>
<input type="checkbox"/> ATTORNEY-IN-FACT	<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> TRUSTEE(S)		<u>July 17, 2006</u>
<input type="checkbox"/> GUARDIAN/CONSERVATOR		DATE OF DOCUMENT
<input type="checkbox"/> OTHER: _____		

SIGNER IS REPRESENTING:
 (NAME OF PERSON OR ENTITY)

BARRATT AMERICAN INCORPORATED

**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 Barratt American Incorporated, 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 32049 (Offsite Improvements), 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 Seventy thousand five hundred and no/100 Dollars (\$70,500.00).

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 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 judgement, all such costs, expenses and fees shall be taxed as costs and included in any judgement 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:

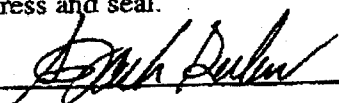
County

Contractor

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

Barratt American Incorporated
A Delaware Corporation
5950 Priestly Drive
Carlsbad, CA 92008

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

By 

Title G. Jack Becker, Vice President

By _____

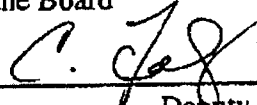
Title _____

COUNTY OF RIVERSIDE

By 
JOHN TAVAGLIONE
CHAIRMAN, BOARD OF SUPERVISORS

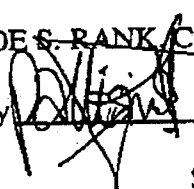
ATTEST:

NANCY ROMERO,
Clerk of the Board

By 
Deputy

APPROVED AS TO FORM

JOE S. RANK, County Counsel

By 

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

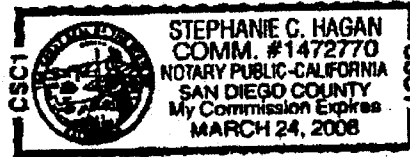
CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
 COUNTY OF SAN DIEGO)

On July 17, 2006, before me, STEPHANIE C. HAGAN, Notary Public, personally appeared G. JACK BECKER, 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.

Stephanie C. Hagan
 Signature



(Seal)

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

<p>CAPACITY CLAIMED BY SIGNER</p> <p><input type="checkbox"/> INDIVIDUAL <input checked="" type="checkbox"/> CORPORATE OFFICER <input type="checkbox"/> VICE PRESIDENT</p> <p style="text-align: center;">TITLE</p>	<p>DESCRIPTION OF ATTACHED DOCUMENT</p> <p>BELLASOL - WATER SYSTEM IMPROVEMENT AGMT</p> <p style="text-align: center;">TITLE OR TYPE OF DOCUMENT</p>
<p><input type="checkbox"/> PARTNERS <input type="checkbox"/> ATTORNEY-IN-FACT <input type="checkbox"/> TRUSTEE(S) <input type="checkbox"/> GUARDIAN/CONSERVATOR <input type="checkbox"/> OTHER: _____</p>	<p><input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL</p> <p style="text-align: center;">3 NUMBER OF PAGES</p> <p style="text-align: center;">July 17, 2006 DATE OF DOCUMENT</p>

SIGNER IS REPRESENTING:
 (NAME OF PERSON OR ENTITY)

BARRATT AMERICAN INCORPORATED

**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 Barratt American Incorporated, 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 32049 (Offsite Improvements), 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 ninety-six thousand five hundred and no/100 Dollars (\$196,500.00).

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 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 judgement, all such costs, expenses and fees shall be taxed as costs and included in any judgement 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:

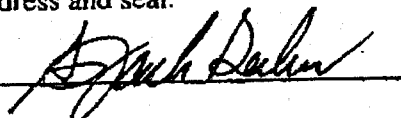
County

Contractor

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

Barratt American Incorporated
A Delaware Corporation
5950 Priestly Drive
Carlsbad, CA 92008

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

By 
Title G. Jack Becker, Vice President

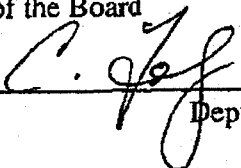
By _____
Title _____

COUNTY OF RIVERSIDE

By 
JOHN TAVAOIONE
CHAIRMAN, BOARD OF SUPERVISORS

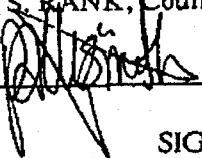
ATTEST:

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 TRIPPLICATE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
 COUNTY OF SAN DIEGO)

On July 17, 2006, before me, STEPHANIE C. HAGAN, Notary Public, personally appeared G. JACK BECKER, 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.

Stephanie C. Hagan
 Signature



(Seal)

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

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

INDIVIDUAL
 CORPORATE OFFICER
 VICE PRESIDENT

 TITLE

BELLASOL -
 SEWER SYSTEM IMPROVEMENT AGMT

 TITLE OR TYPE OF DOCUMENT

PARTNERS

LIMITED
 GENERAL

_____ 3
 NUMBER OF PAGES

ATTORNEY-IN-FACT
 TRUSTEE(S)
 GUARDIAN/CONSERVATOR
 OTHER: _____

_____ July 17, 2006
 DATE OF DOCUMENT

SIGNER IS REPRESENTING:
 (NAME OF PERSON OR ENTITY)

_____ BARRATT AMERICAN INCORPORATED _____

EXHIBIT C

PROJECT AGREEMENT
ROAD AND BRIDGE BENEFIT DISTRICT
(SOUTHWEST AREA - WINCHESTER ROAD)

THIS AGREEMENT (this "Agreement"), between the County of Riverside, a public subdivision of the State of California, hereinafter referred to as the "County," and Barratt American Incorporated., a Delaware Corporation, hereinafter referred to as the "Developer"

RECITALS

WHEREAS, the Board of Supervisors (the "Board") of the County of Riverside (the "County") pursuant to Section 66484 of the California Government Code and Chapter 16.28 of the Riverside County Code ("Chapter 16.28"), at the conclusion of a noticed public hearing on August 28, 2001, which was ratified by the adoption of Resolution No. 2001-317 on September 25, 2001, reestablished the Southwest Area Road and Bridge Benefit District (the "Southwest District") which consisted of more than one Zone and established a fee schedule for each Zone to fund a specified percentage of the estimated construction cost for those designated facilities within each Zone; and,

WHEREAS, the County, by Resolution No 2002-238 adopted on June 25, 2002, has amended the list of designated road and bridge improvements whose construction costs are to be funded by Zone D of the District and the road and bridge improvement fee schedule for Zone D of the District, and the current applicable fee schedule for properties within the Zone D of the District is established by Resolution No. 2002-238; and

WHEREAS, Developer presently owns or has owned property that is located within Zone D of the District, and this property has received development approval from the County as Tract No. 32049, as shown on Exhibit A which is attached hereto (the "Property" or the "Tract"); and

WHEREAS, Developer has initiated street improvement plans under case number MS4040 for Tract 32049; and

WHEREAS, as a condition of development of the Property, the Developer is required to construct improvements to Winchester Road to build approximately one thousand one hundred and four (1,104) linear feet of ultimate improvements to lane four (4) that are identified on Exhibits B and C, which is attached hereto (the "Improvements"); the design and construction costs reimbursement of the Project will be based on actual costs and are not to exceed what is set forth in Exhibit D, respectively, that is attached hereto and, by this reference made a part hereof; and

WHEREAS, the Improvements are designated as road improvements the construction costs of which are to be funded by the District; and

WHEREAS, the Developer has developed all of the Tract; and

WHEREAS, the County, assuming the Project is constructed as if it is to be constructed under the direction and supervision or under the authority of the County, and can be funded by the District, consistent with Resolution 2002-238, based on actual cost in an amount not to exceed \$128,392, as shown on Exhibit D; and

WHEREAS, the Developer has requested to enter into an agreement with the County by the terms of which it can be reimbursed or receive credit from fees that the District has collected or will collect in the future for actual construction costs in an amount that is not to exceed the amount specified in Exhibit D; and

WHEREAS, the County estimates the total amount of District fees that can be collected from the Property consistent with Resolution No. 2002-238 and the development rights that have been approved by County to be \$325,605;

NOW, THEREFORE, for good and valuable consideration and the mutual promises contained herein, it is agreed as follows:

Section 1. Purpose of the Agreement: Following execution of this Agreement, the Developer shall cause, consistent with Sections 3 through 12, below, the Project to be designed, engineered and constructed as if it had been constructed under the direction and supervision or under the authority of the County, and the County shall pay or credit the Developer the Reimbursement Amount consistent with Exhibit D in conformance with Section 6, below.

Section 2. Definitions: Unless otherwise specifically defined in this Agreement, all terms will have the meaning ascribed to them by the Rules and Regulations for the Administration of Road and Bridge Benefit Districts of the County of Riverside.

Section 3. Preparation and Approval of Plans and Specifications: To the extent that it has not already done so, the Developer shall cause plans (the "Plans") to be prepared for the Project. The Developer shall obtain the written approval of the Plans from County. The Developer shall provide a copy of the Plans and specifications to the Director of Transportation Department of the County, or his/her designee (the "County Engineer").

Section 4. Duty of Developer to Construct: To the extent authorized by law, County will grant the Developer any license and/or permit required from it to allow for the construction of the Project as approved by County. The Developer shall perform all of its obligations hereunder and shall conduct all operations with respect to the construction of the Project in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall not be relieved of its obligation to construct the Project and cause title to the Project to be conveyed to the County even if the Reimbursement Amount is less than the actual cost of the Project. Notwithstanding the foregoing, nothing set forth in this Agreement shall be construed to require the Developer to perform any work requiring a contractor's license, nor shall the Developer be deemed to be performing construction services pursuant to this Agreement.

Section 5. Acquisition of County Facilities: The Developer hereby agrees to convey to the County and the County hereby agrees to pay to the Developer the Reimbursement Amount for the Project, subject to the terms and conditions hereof.

The Reimbursement Amount is to be paid solely from fees collected or to be collected by the District and designated for the cost of construction of the Project and the County shall not be obligated to pay the Reimbursement Amount except from amounts held by the District for such purposes.

Section 6. Payment of the Reimbursement Amount: The Developer accepts that this Agreement does not serve to stop the County from making further adjustments to the District Fee, by amending the District, consistent with State law. The Developer acknowledges that the Board will annually consider adjustments to the District Fee. The parties agree that the dollar amount of any fee credit to be earned by the Developer pursuant to this Agreement will be determined by the actual cost of construction incurred not to exceed Exhibit D. The maximum allowable reimbursement amount will be based on the reimbursement scheduled established by the District at the time the Developer pays District Fees. Additionally, cash reimbursement is subject to availability of funds received by the District which may include reimbursement over a period of time.

(a) Upon recordation of a Notice of Completion for the Project and acceptance of the Project by the County Engineer, the Developer shall submit a billing to the County Engineer requesting determination of the actual cost of the Project and the District Fee credit. The reimbursement amount of the earned fee credit is to equal the actual cost incurred in an amount not to exceed what is set forth in Exhibit D in constructing the Project. The Developer is to supply all documentation requested by the County Engineer in determining the actual construction cost of the Project. The County Engineer is to use his best efforts to determine the amount of the earned fee credit within thirty (30) calendar days of receipt of the bill submitted by the Developer.

(b) The County Engineer will provide the Developer written notice, in the form of Exhibit E attached hereto (the "Credit Notice"), of the dollar amount of the earned credit. If the dollar amount of the earned fee credit exceeds the dollar amount of the District Fee that would otherwise be due from the Developer (the "Fee Credit Excess"), the County Engineer will identify in the Notice that the Fee Credit Excess will generate either: (i) a cash reimbursement to the Developer or (ii) an earned fee credit to offset the District Fee required on another approved tract or parcel map to be developed by the Developer within the District. Once completed, the Credit Notice is to be executed and dated by the County Engineer and the Developer.

(c) If the dollar amount of the earned fee credit is less than the District Fee that would be due from the Developer, the Credit Notice will so note. The amount of credit to be applied with each District Fee payment on either a per unit or per acre basis will be identified, and shall be based on prorating the earned fee credit over those units which have not previously paid the District Fee in the first phase of _____.

(d) If the Developer is issued one or more building permits prior to the date the County Engineer accepts the Project and prepares the Notice of Credit, then the Developer will have to pay the full District Fee for each permit issued, and upon acceptance of the Project by the County Engineer, the County Engineer will note on the Notice of Credit the full District fee paid to date of acceptance and make the appropriate adjustment for the application of the earned fee credit consistent with the subsections (b) or (c) above.

Section 7. Bid and Construction Requirements:

(a) In order to insure that the Project is constructed as if it had been constructed under the direction and supervision, or under the authority of, the County, the Developer shall comply with all of the requirements set forth in this Section.

(b) Prior to soliciting bids, the Developer shall submit a bid packet for review and approval to the County Engineer. The contract for the construction of the Project shall be awarded to the responsible bidder submitting the lowest responsive bid for the Project after notice inviting sealed bids is given as required for public works projects pursuant to any applicable provisions of the California Public Contracts Code and the rules, regulations and policies of the County. Upon opening of bids and prior to awarding the construction contract, the Developer shall submit the lowest responsive bidder's bid to the County Engineer for review and approval, which approval shall not be unreasonably withheld or delayed.

(c) The Developer shall require, and the specifications, bid and contract documents shall require all contractors, subcontractors, vendors, equipment operators and owner operators, in each such case to the extent such individuals or entities are engaged to perform work on the Project, to pay at least general prevailing wage rates to all workers employed in the execution of the contract, to post a copy of the general prevailing wage rates at the job-site in a conspicuous place available to all employees and applicants for employment, and to otherwise comply with applicable provisions of the California Labor Code, the California Government Code and the California Public Contracts Code relating to general prevailing wage rates as required by the specifications approved by the County Engineer. The County has provided the Developer with copies of tables setting forth the general prevailing wage rates, and the Developer hereby acknowledges receipt thereof.

(d) The Developer shall require each contractor, subcontractor, vendor, equipment operator and owner operator, in each such case to the extent such individual or entity is engaged to perform work on the Project, to provide proof of insurance coverage satisfying the requirements of Section 12(g) hereof throughout the term of the construction of the Project. Rather than requiring its contractors to provide such insurance, the Developer may elect to provide the same for the benefit of its contractors.

(e) Each contractor engaged to perform work on the Project shall be required to furnish (i) labor and material payment bonds, and (ii) contract performance bonds, each in an amount equal to 100% of the contract price naming the Developer and the County as obligees and issued by a California admitted surety subject to the provisions of Section 995.660 of the California Code of Civil Procedure. All such bonds shall be in a form as shown in Exhibit F. Rather than requiring its

contractors to provide such bonds, the Developer may elect to provide the same for the benefit of its contractors.

(f) The Developer shall comply, and shall cause each contractor, subcontractor, vendor, equipment operator and owner operator, in each such case to the extent such individual or entity is engaged to perform work on the Project, to comply, with such other requirements relating to the construction of the Project as the County may impose by written notification delivered to the Developer, to the extent legally required as a result of changes in applicable Federal, State or County laws, rules or procedures.

(g) The Developer shall require, and the specifications and bid and contract documents shall require, all contractors, subcontractors, vendors, equipment operators and owner operators, in each such case to the extent such individuals or entities are engaged to perform work on the Project, to submit certified weekly payroll records to the Developer for inspection by the County Engineer, and to furnish certified payroll records to the County Engineer promptly upon request.

The Developer shall provide proof to the County Engineer, at such intervals and in such form as the County Engineer may require, that the foregoing requirements have been satisfied as to the Project.

Section 8. Licenses and Permits: To the extent authorized by law, County will grant the Developer any license and/or permit required from it to allow for the construction of the Project as approved by County. The form and content of said license and/or permit shall be in form mutually acceptable to both the County and the Developer.

Section 9. Modifications to the Estimated Cost Stated in Exhibit D: The lowest responsible bid for the Project shall not exceed the amounts shown in Exhibit D without a formal amendment to this Agreement. If during the course of construction of the Project, the Developer is presented with a change order or set of change orders that would increase the construction cost, the Developer must receive the approval of the County Engineer before approving the change order(s). In no instance shall the total construction costs, including any change orders, exceed the estimated costs shown in Exhibit D without a formal amendment to this Agreement. Upon approving the change order, the County Engineer will cause a formal amendment to this Agreement to be prepared, if necessary. Failure to comply with this provision will result in the County not reimbursing or crediting the Developer for any change orders.

Section 10. Inspection; Completion of Construction: The County Engineer shall have responsibility for providing inspection of the work of construction of the Project to insure that the work of construction is accomplished in accordance with the Plans and the specifications approved by the County Engineer. County personnel shall have access to the site of the work of construction at all reasonable times for the purpose of accomplishing such inspection.

No later than ten business days after receiving notification from the County that the Project has been constructed in accordance with the Plans, the Developer shall forthwith file with the Riverside County Recorder a Notice of Completion pursuant to the provisions of Section 3093 of the

California Civil Code. The Developer shall furnish to the County a duplicate copy of each such Notice of Completion showing thereon the date of filing with said County Recorder.

Section 11. Maintenance of Facilities; Warranties: The Developer shall maintain the Project in good and safe condition until their acceptance by the County. Prior to the acceptance of the Project, the Developer shall be responsible for maintaining the Project in proper operating condition, and shall perform such maintenance as the County Engineer reasonably determines to be necessary. As of the date of acceptance, the performance bond provided by the Developer for the Project pursuant to Section 7(e) hereof shall be reduced to an amount equal to 10% of the original amount thereof and shall serve as a warranty bond to guarantee that the Project will be free from defects due to faulty workmanship or materials for a period of 12 months from the date of acceptance, or the Developer may elect to provide a new warranty bond or cash in such an amount. As of the date of acceptance of the Project, the Developer shall assign to the County all of the Developer's rights in any warranties, guarantees, maintenance obligations or other evidence of contingent obligations of third persons with respect to the Project.

Section 12. Insurance Requirements: Without limiting or diminishing the Developer's obligation to indemnify or hold the County harmless, the Developer shall procure and maintain or cause to be maintained, at its sole cost and expense the following insurance coverage's during the term of this Agreement

(i) ***Commercial General Liability:*** Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations, explosion, collapse, use of cranes, and other heavy equipment and underground hazards, personal and advertising injury covering claims which may arise from or out of Developer's performance of its obligations hereunder. Policy shall name by endorsement the County and its special districts, respective directors, officers, Board of Supervisors, elected officials, employees, agents or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit.

(ii) ***Vehicle Liability:*** Developer shall maintain liability insurance for all owned, non-owned or hired vehicles in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit. Policy shall name by endorsement the County, its special districts, their respective directors, officers, Board of Supervisors, elected officials, employees, agents or representatives as Additional Insureds.

(iii) ***Worker's Compensation Insurance:*** Developer shall maintain Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupation Disease with limits not less than \$1,000,000 per person per accident. Policy shall be endorsed to waive subrogation in favor of the County, and if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.

General Insurance Provisions - all lines:

(a) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A.M. Best rating of not less than an A:VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager.

(b) The Developer's insurance carrier(s) must declare its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of deductibles or self-insured retentions which are deemed unacceptable to the County, at the election of the County's Risk Manager, the Developer's carriers shall either: (i) reduce or eliminate such deductibles or self-insured retentions as respects this Agreement with the County, or (ii) procure a bond which guarantees payment of losses and related investigations, claims administration, defense costs and expenses.

(c) The Developer shall cause their insurance carrier(s) to furnish the County with (i) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein; or (ii) if requested to do so orally or in writing by the County Risk Manager, provide original certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect.

(d) Further, said Certificate(s) and Endorsements to policies of insurance shall contain the covenant of the insurance carrier(s) that it shall provide no less than thirty (30) days written notice be given to the County prior to any material modification or cancellation of such insurance. In the event of a material modification or cancellation of coverage, this Agreement shall terminate forthwith, unless the County receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of Endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverages and the insurance required herein are in full force and effect. Individual(s) authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

(e) The Developer shall not commence construction of the Improvements until the County has been furnished original Certificate(s) of Insurance and certified original copies of Endorsements or policies of insurance including all endorsements and any and all other attachments as required in this Section.

(f) It is understood and agreed by the parties hereto and the Developer's insurance company(s) that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.

(g) The Developer and contractors shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement and will require

all such subcontractors to name on their insurance policies by endorsement the County, its special districts, their respective directors, officers, Board of Supervisors, elected officials employees, agents or representatives as Additional Insureds. Copies of such certificates and endorsements shall be provided to the County. The minimum limit of liability required of all tiers of subcontractors is \$1,000,000 Combined Single Limit for Commercial General Liability and \$1,000,000 Combined Single Limit for Vehicle Liability Insurance.

Section 13. Ownership of Facilities: Notwithstanding the fact that a portion or all of the Project may be constructed in dedicated street rights-of-way or on property that has been or will be dedicated to the County, the Project shall be and remain the property of the Developer until acceptable title thereto is conveyed to the County as provided herein. Acceptable title means title to land, or an easement therein, delivered free and clear of all liens, taxes assessments, leases, easements, and encumbrances, whether any such item is recorded or unrecorded, except those non-monetary items which are reasonably determined by the County not to interfere with the intended use of the land and the Project. Such ownership by the Developer shall likewise not be affected by any agreement that the Developer may have entered into or may enter into with the County pursuant to the provisions of the Subdivision Map Act, Section 66410 *et seq.* of the Code, and the provisions of this Section shall control.

Section 14. Representations, Warranties and Covenants of the Developer: The Developer makes the following representations, warranties and covenants for the benefit of the County, as of the date hereof and as of the date of the Payment Request is delivered to the County hereunder:

(a) **Organization.** The Developer represents and warrants that the Developer is a Delaware corporation duly organized and validly existing under the laws of the State of Delaware, is in good standing under the laws of the State of California, and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated.

(b) **Authority.** The Developer represents and warrants that the Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of the Developer.

(c) **Binding Obligation.** The Developer represents and warrants that this Agreement is a valid and binding obligation of the Developer and is enforceable against the Developer in accordance with its terms, subject to bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

(d) **Completion of Project.** The Developer covenants that it will use its reasonable and diligent efforts to do all things that may be lawfully required of it in order to cause the Project to be completed in accordance with this Agreement.

(e) Compliance with Laws. The Developer covenants that, while the Project is owned by the Developer or required pursuant to this Agreement to be maintained by the Developer, it will not commit, suffer or permit any of its agents, employees or contractors to commit any act to be done in, upon or to the Project in violation in any material respect of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the Property or the Project.

(f) Payment Requests. The Developer represents and warrants that it will diligently follow all procedures set forth in this Agreement with respect to Payment Requests.

(g) Financial Records. Until the final acceptance of the Project, the Developer covenants to maintain proper books of record and account for the Project and all costs related thereto. The Developer covenants that such accounting books will be maintained in accordance with generally accepted accounting principles, and will be available for inspection by the County and the County Engineer, at any reasonable time during regular business hours on two business days' prior written notice, subject to mutually acceptable arrangements regarding the confidentiality of proprietary data.

(h) Permits. The Developer covenants that it will obtain all governmental or other permits required to proceed with the construction of the Project and that it will pay all fees relating thereto.

(i) Environmental Matters. The Developer represents and warrants that it has complied with, has caused compliance with, or will cause compliance with, the California Environmental Quality Act as required for the construction of the Project and its conveyance to the County.

Section 15. Representations, Warranties and Covenants of County: County makes the following representations, warranties and covenants for the benefit of the Developer:

(a) Authority. County represents and warrants that County has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of County.

(b) Binding Obligation. County represents and warrants that this Agreement is a valid and binding obligation of County and is enforceable against County in accordance with its terms, subject to bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

(c) Completion of the Improvements. The County covenants that it will use its reasonable and diligent efforts to take expeditiously all actions that may be lawfully required of it in issuing permits, processing and approving plans and specifications and inspecting the Project in accordance with this Agreement.

(d) Payment Requests. County represents and warrants that it will diligently follow all procedures set forth in this Agreement with respect to each payment request and payment of the Reimbursement Amount.

Section 16. Indemnification: The Developer agrees to protect, indemnify, defend and hold the County, its elected officials, officers, employees, agents, and representatives (the "Indemnified Parties") and each of them, harmless from and against any and all claims, liabilities, losses, expenses, suits, actions, decrees, judgments, awards, attorney's fees, and court costs which the Indemnified Parties, or any combination thereof, may suffer or which may be sought against or recovered or obtained from the Indemnified Parties, or any combination thereof, as a result of, or by reason of, or in consequence of, or arising out of

- (a) this Agreement,
- (b) the acquisition, construction, or installation of the Project,
- (c) the design, construction, or failure of the Project,
- (d) the untruth or inaccuracy of any representation or warranty made by the Developer in this Agreement or in any certifications delivered by or on behalf of the Developer hereunder, or
- (e) any act or omission of the Developer or any of its subcontractors, or their respective directors, officers, employees, agents, and representatives in connection with the Project. If the Developer fails to do so, the Indemnified Parties, or each of them, shall have the right, but not the obligation, to defend the same and charge all of the direct or incidental costs of such defense, including reasonable attorneys' fees and court costs to, and recover the same from, the Developer.

No indemnification is required to be paid by the Developer for any claim, liability, loss, expense, suit, action, decree, judgment, award of attorneys' fees and court costs

- (f) as a result of, or by reason of, or in consequence of, or arising out of the willful misconduct or sole or active negligence of the Indemnified Parties or
- (g) as a result of, or by reason of, or in consequence of, or arising out of the use or operation of the Project after acceptance by the County, unless such claim, liability, loss, expense, suit, action, decree, judgment, award of attorneys' fees or court costs results from the defective or improper design, defective or improper construction, or defective or improper installation of the Project by Developer, its agents, or representatives.

The Provisions of this Section shall survive the termination of this Agreement.

Section 17. Developer as a Private Developer: In performing under this Agreement, it is mutually understood that the Developer is acting as an independent contractor, and not as an agent of the County. The County shall have no responsibility for payment to any contractor, subcontractor or supplier of the Developer.

Section 18. Other Agreements: Nothing contained herein shall be construed as affecting the County's or the Developer's respective duty to perform its respective obligations under other agreements, land use regulations or subdivision requirements relating to the development of the

Property, which obligations are and shall remain independent of the Developer's rights and obligations, and the County's rights and obligations, under this Agreement; provided, however, that the Developer shall use its reasonable and diligent efforts to perform each and every covenant to be performed by it under any lien or encumbrance, instrument, declaration, covenant, condition, restriction, license, order, or other agreement, the nonperformance of which could reasonably be expected to materially and adversely affect the acquisition, construction and installation of the Project.

Section 19. Binding on Successors and Assigns: Neither this Agreement nor the duties and obligations of the Developer hereunder may be assigned to any person or legal entity other than an affiliate of the Developer without the written consent of the County, which consent shall not be unreasonably withheld or delayed. Neither this Agreement nor the duties and obligations of the County hereunder may be assigned to any person or legal entity, without the written consent of the Developer, which consent shall not be unreasonably withheld or delayed. The agreements and covenants included herein shall be binding on and inure to the benefit of any partners, permitted assigns, and successors-in-interest of the parties hereto.

Section 20. Amendments: This Agreement can only be amended by an instrument in writing executed and delivered by the County and the Developer.

Section 21. Waivers: No waiver of, or consent with respect to, any provision of this Agreement by a party hereto shall in any event be effective unless the same shall be in writing and signed by such party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

Section 22. No Third Party Beneficiaries: No person or entity shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than the County and the Developer (and their respective successors and assigns), any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 23. Notices: Any written notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication to be given hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

DEVELOPER

J. Michael Armstrong
Senior Vice President
Barratt American Homes
5950 Priestly Drive Ste 101
Carlsbad, CA 92008
Tele: (760) 431-0800
Fax: (760) 929-6432

COUNTY

George A. Johnson
Director of Transportation
County of Riverside
4080 Lemon St., 8th Floor
Riverside, CA 92501
Tele: (951) 955-6740
Fax: (951) 955-3198

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by electronic communication, whether by telex, telegram or telecopy, upon the sender's receipt of an appropriate answerback or other written acknowledgment, (c) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail, (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier, or (e) if given by any other means, upon delivery at the address specified in this Section.

Section 24. Jurisdiction and Venue: Each of the County and the Developer (a) agrees that any suit action or other legal proceeding arising out of or relating to this Agreement shall be brought in the Courts of the United States of America in the district in which said County is located, (b) consents to the jurisdiction of each such court in any suit, action or proceeding, and (c) waives any objection that it may have to the laying of venue or any suit, action or proceeding in any of such courts and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. Each of the County and the Developer agrees that a final and non-appeal-able judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

Section 25. Attorneys' Fees: If any action is instituted to interpret or enforce any of the provisions of this Agreement, the party prevailing in such action shall be entitled to recover from the other party thereto reasonable attorney's fees and costs of such suit (including both pre-judgment and post-judgment fees and costs) as determined by the court as part of the judgment.

Section 26. Governing Law: This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

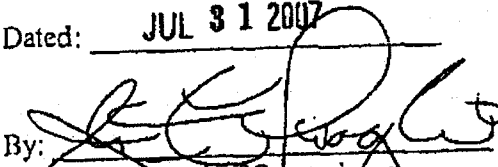
Section 27. Usage of Words: As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

Section 28. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original.

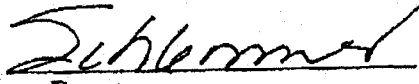
Section 29. Severability: If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this instrument, or the application of such term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

IN WITNESS HEREOF, the parties hereto have executed the Project Agreement to be effective on the day and year signed by the Riverside County Board of Supervisors' Chairman.

COUNTY OF RIVERSIDE

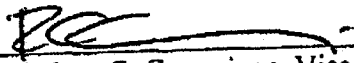
Dated: JUL 31 2007
By: 
Chairman, Board of Supervisors
JOHN TAVAGLIONE

ATTEST:
Nancy Romero,
Clerk to the Board of Supervisors

By: 
Deputy

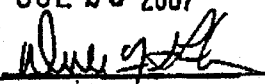
Dated: JUL 31 2007

Barratt American Incorporated, a Delaware Corporation

By: 
Robert C. Cummings, Vice President

APPROVED AS TO FORM:
COUNTY COUNSEL

By: FORM APPROVED
COUNTY COUNSEL

Date: JUL 23 2007
BY: 
Dale A. Gardner

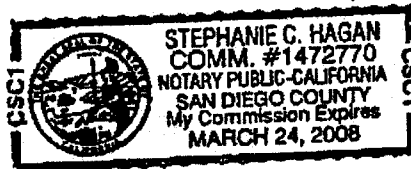
CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
COUNTY OF SAN DIEGO)

On June 18, 2007, before me, STEPHANIE C. HAGAN, Notary Public, personally appeared ROBERT C. CUMMINGS, 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.

Stephanie C. Hagan
Signature



(Seal)

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

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	
<input checked="" type="checkbox"/> CORPORATE OFFICER	BELLASOL - TR. 32049 WINCHESTER RD
<input type="checkbox"/> VICE PRESIDENT	RBBD
TITLE	TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/> PARTNERS	<input type="checkbox"/> LIMITED
<input type="checkbox"/> ATTORNEY-IN-FACT	<input type="checkbox"/> GENERAL
<input type="checkbox"/> TRUSTEE(S)	<u>1</u>
<input type="checkbox"/> GUARDIAN/CONSERVATOR	NUMBER OF PAGES
<input type="checkbox"/> OTHER:	<u>June 18, 2007</u>
	DATE OF DOCUMENT

SIGNER IS REPRESENTING:
(NAME OF PERSON OR ENTITY)

BARRATT AMERICAN INCORPORATED

EXHIBIT A

EXHIBIT "A-3"

TRACT 32049

All that certain real property situated in the County of Riverside, State of California, described as follows:

The remainder parcel of parcel map 30239 in the County of Riverside, recorded on June 13, 2002 as File No. 2002-322460, in the Office of the Riverside County Recorder in Book 202 of parcel maps at pages 5-6.

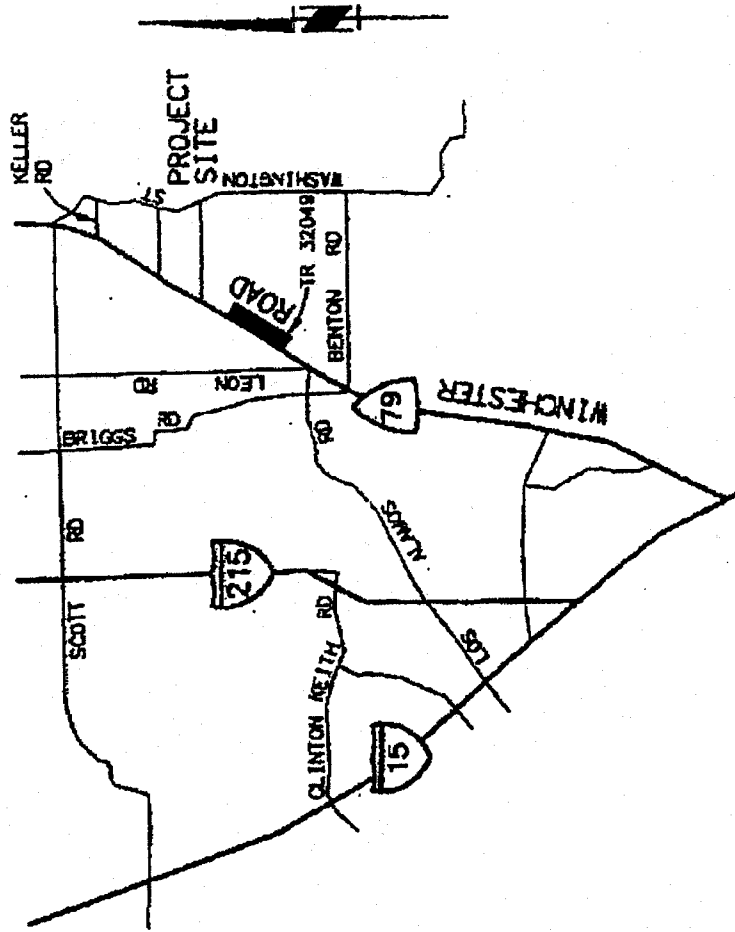
Assessor's Parcel Number: 467-240-050-8; 467-240-045-4;
 467-240-046-5; 467-240-031-1

The bearings on this plan are based on the line between stations "Trak" and "math" (positions per national geodetic survey, NAD83, EPOCH 1995.5) as shown on the map filed in book 102, pages 50 through 65 of records and surveys in the office of the County Recorder of Riverside County, California, being 52 49' 02.84" E. Section 32, Township 6 South, Range 2 West.

**Obtained from the Preliminary Title Report.*

BARRATT AMERICAN

TRACT 32049 WINCHESTER ROAD



NOT TO SCALE
SECTION 32, TOWNSHIP 6 SOUTH, RANGE 2 WEST

VICINITY MAP



1725
inch equals 250 feet
reproducing Plat No. 1, Dec. 2004
HAWAIIAN LAND SYSTEMS, INC.

1 K32049

500

250

represent on this map is subject to updates, inaccuracies and
may be liable for damages for all damages. Courts GIS
any other means should be updated for the most current information.
Do not rely on this map.

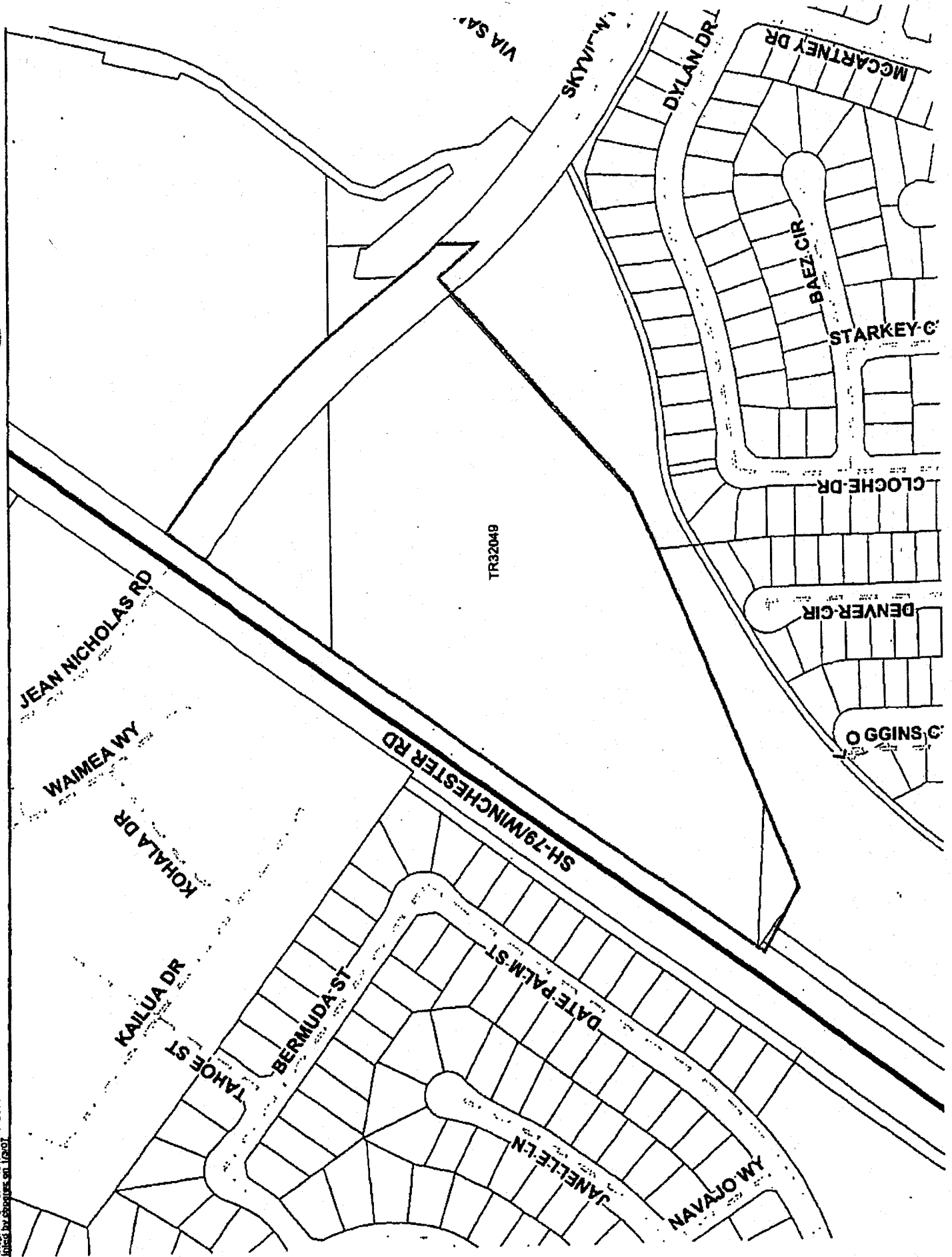
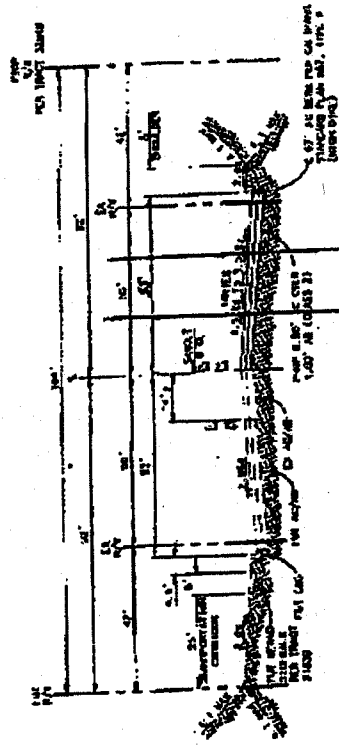
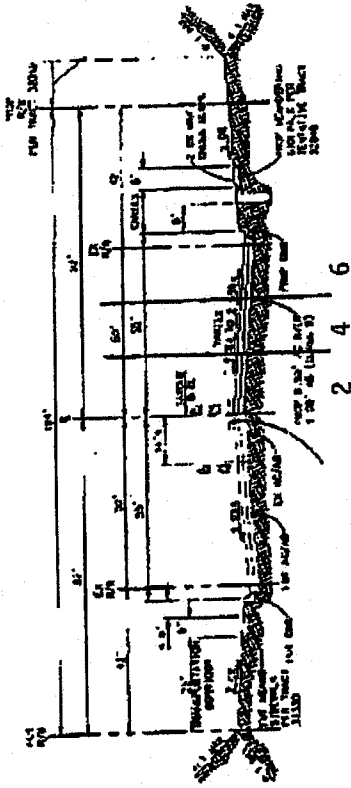


EXHIBIT B

BARRATT AMERICAN

TRACT 32049 WINCHESTER ROAD



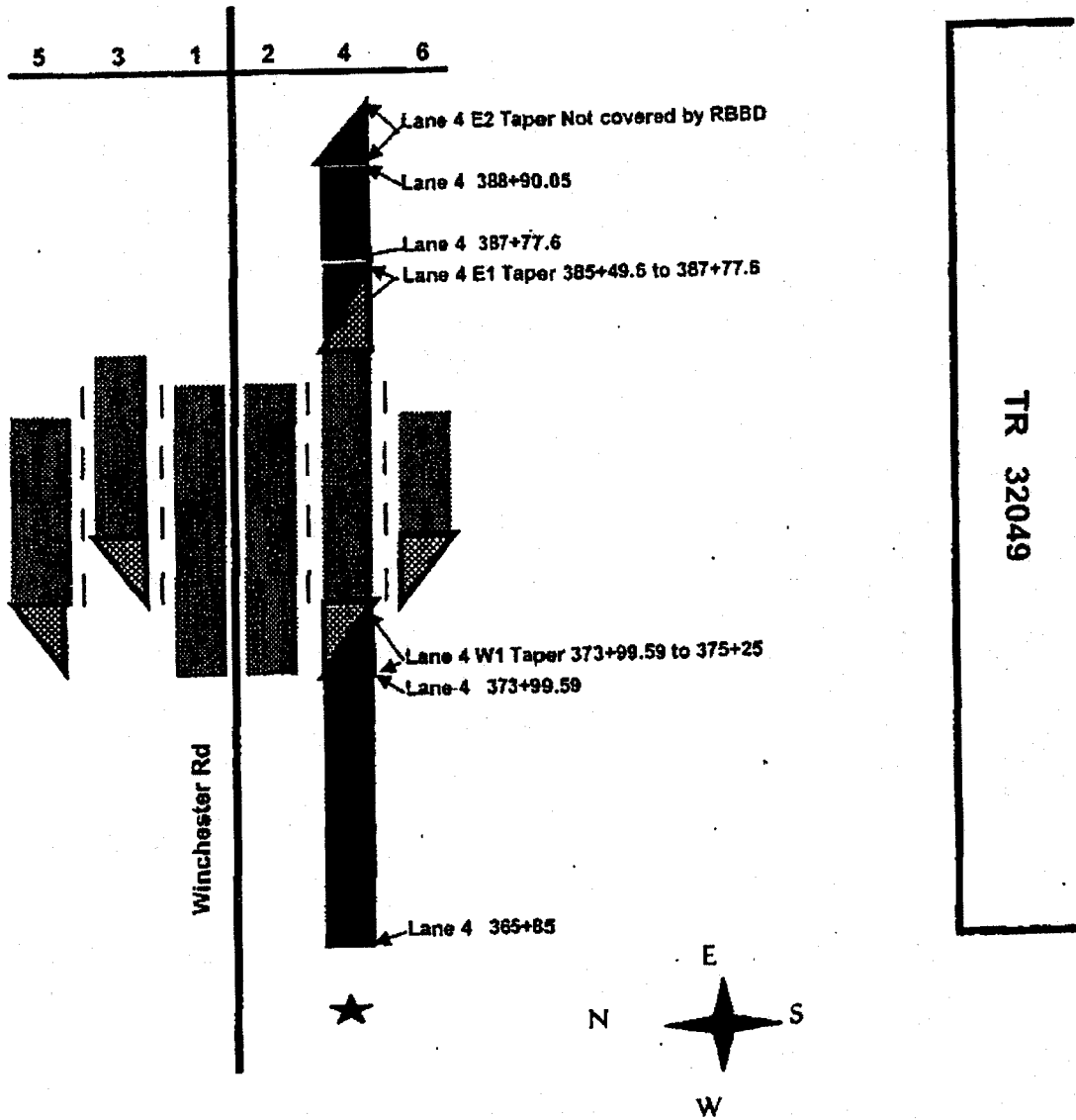
Lane 4 covered under Road & Bridge Benefit District

TYPICAL SECTION



EXHIBIT C

TRACT 32049



★ Lanes 4 covered under Road & Bridge Benefit District (RBB) and Transportation Uniform Mitigation Program (TUMF)

Existing Improvements

Existing Taper Improvements

Construction by Barratt under TR32049

Taper construction by Barratt under TR32049

EXHIBIT D

EXHIBIT D

I. REIMBURSEMENT:

The final settlement shall be based on the actual allowable cost of design, engineering, and construction costs for the completion and acceptance of the project described in this Agreement, and shall not exceed the maximum obligation of the COUNTY herein. The Southwest Road and Bridge Benefit District will not provide reimbursement for:

- Tapers that will not be part of ultimate improvements;
- Frontage improvements including but not limited to curb, gutter, and sidewalks;
and
- Right-Of-Way Costs.

II. MAXIMUM OBLIGATION:

Eligible Reimbursement for Winchester Road, Lane 4 \$ 128,392
Maximum Eligible reimbursement pursuant to Resolution No. 2002-238 is \$ 128,392

III. DOCUMENTATION TO BE PROVIDED BY DEVELOPER

To assist the County in determining the eligible costs for a completed Improvement, Developer will provide the following documents to County:

1. Plans, specifications and Developer's civil engineer's cost estimate;
2. List of bidders from whom bids were requested;
3. Construction schedules and progress reports;
4. Contracts, insurance certificates and change orders with each contractor or vendor;
5. Invoices received from all vendors;
6. Canceled checks from payments made to contractors and vendors (copy both front and back of canceled checks);
7. Spreadsheet showing total costs incurred in and related to the construction of each Improvement and the check number for each item of cost and invoice;
8. Final lien releases from each contractor and vendor; and
9. Such further documentation as may be reasonably required by County to evidence the completion of construction and the payment of each item of cost and invoice.

FACILITY BUDGET WORKSHEET

Barratt American Tract 32049 - Winchester (MS 4040)
 Southwest RBBB Zone D

RBBB Reimbursement Budget	Construction	Design/Cont	Full RBBB Cost
Winchester (Auld to Keller) 2 of 4 lanes 19,900 Linear Ft for 2 lanes	3,601,900	1,080,570	4,682,470
RBBB Admin		(54,029)	
Adjusted Eligible Reimbursement	3,601,900	1,026,542	4,628,442
Reimbursement for 2 lanes per linear ft.			233
Reimbursement for per 1 lane per linear ft.			\$ 116.29

Lane 4 Improvements	Lane No	Linear Feet	Amt Eligible
365+85 to 373+99.59	4**	814.6	94,731
373+99.59 to 375+25 (Taper is 125.41 Lf. half lane credit only)	Taper*	63	7,326
385+49.6 to 387+77.6 (Taper is 228 Lf. half lane credit only)	Taper*	114	\$ 13,257
387+77.6 to 388+90.05	4**	112.5	\$ 13,077
Maximum Program Reimbursement for RBBB funds:		1,104	128,392

147 Dwelling Units (39 Single Family and 108 Multi Family) @ \$2,215 RBBB fee = \$325,605

Project to be completed Fall of Fiscal Year 2007/2008

*Developer has coordinated with Caltrans for the construction of Winchester improvements. Caltrans will coordinate construction of this project along with another developer project (TR 31330) to ensure that full continuous lanes are constructed. Therefore, included taper Lane 4 W1 & E1 will be constructed as ultimate improvements and can be funded by RBBB. Taper Lane 4 E2 will not be funded by RBBB and will not be part of ultimate improvements on Winchester.

**The TUMF Program and RBBB both fund Lane #4 and will provide funding as follows:

TUMF	181,402
RBBB	128,392
Total Lane 4 Eligible Reimbursement	309,794

EXHIBIT E

EXHIBIT E
REIMBURSEMENT/CREDIT AUTHORIZATION REQUEST

CONTRACT NO./PROJECT TITLE: _____

(Firm Name - Principal)

(Business Address)

By: _____
(Signature)

(Title)

Agreement Not To Exceed Amount: \$ _____

Previously Authorized Amounts: Reimbursements: \$ _____ Credits: \$ _____

Amount Of Request: Reimbursements: \$ _____ Credits: \$ _____

Required Attachments:

- Invoice with Remit To Address
- Supporting Documentation Showing Payments For Reimbursable Items
- For Reimbursements Check One:
 - _____ W-9 Form (with first request)
 - _____ Vendor Registration Completed Online (www.co.riverside.ca.us/purchindex.asp)
 - _____ Vendor Registration Completed With Previous Reimbursement Request

FOR COUNTY USE ONLY:

Description Of Any Requested Reimbursement/Credit Amounts That Are Denied Or Withheld:
_____ DENIED \$ _____

_____ WITHHELD \$ _____

Authorized Amounts: Reimbursements: \$ _____ Credits: \$ _____

Amount of Prorated Credit to be Applied with each Fee Payment: \$ _____ / _____ (DU or Acre)

Authorized Signature: _____ Date: _____

Work Order: _____ Task Code: _____

EXHIBIT F

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

FOR: Streets and Drainage	\$ 4,908,600	Tract No.	32049
Water System	\$ 70,500	Parcel Map No.	
Sewer System	\$ 196,500	Bond No.	SU5020995
		Premium	\$64,695.00

Surety	<u>ARCH INSURANCE COMPANY</u>	Principal	<u>BARRATT AMERICAN INCORPORATED</u>
Address	<u>135 N. LDS ROULES AVE. #825</u>	Address	<u>5950 PRIESTLY DRIVE</u>
City/State	<u>PASADENA, CA</u>	City/State	<u>CARLSBAD, CA</u>
Zip	<u>91101</u>	Zip	<u>92008</u>
Phone	<u>626-639-5200</u>	Phone	<u>760-431-0800</u>

WHEREAS, the County of Riverside, State of California, and BARRATT AMERICAN INCORPORATED, A DELAWARE CORPORATION (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) 32049, 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 ARCH INSURANCE COMPANY, as surety, are held and firmly bound unto the County of Riverside in the penal sum of FIVE MILLION ONE HUNDRED SEVENTY-FIVE THOUSAND SIX HUNDRED & NO/100 Dollars (\$ 5,175,600.00) 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 judgement 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 JULY 14, 2006.

NAME OF PRINCIPAL: BARRATT AMERICAN INCORPORATED,

A DELAWARE CORPORATION

AUTHORIZED SIGNATURE(S): By: *G. Jack Becker*
Title G. Jack Becker, Vice President

Title

Title

(IF CORPORATION, AFFIX SEAL)

NAME OF SURETY: ARCH INSURANCE COMPANY

AUTHORIZED SIGNATURE: *D.J. Picard*
D. J. PICARD, Its Attorney-in-Fact Title

(IF CORPORATION, AFFIX SEAL)

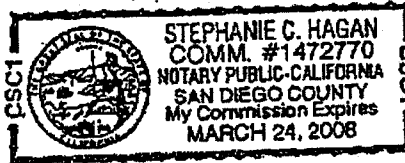
ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURES OF PRINCIPAL AND ATTORNEY-IN-FACT.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
COUNTY OF SAN DIEGO)

On July 17, 2006, before me, STEPHANIE C. HAGAN, Notary Public, personally appeared G. JACK BECKER, 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.



Stephanie C. Hagan
Signature

(Seal)

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

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL		
<input checked="" type="checkbox"/> CORPORATE OFFICER		Bellasol - Bond # SU5020995
<input type="checkbox"/> VICE PRESIDENT		Faithful Performance Bond
	TITLE	TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/> PARTNERS		
<input type="checkbox"/> ATTORNEY-IN-FACT	<input type="checkbox"/> LIMITED	<u>2</u>
<input type="checkbox"/> TRUSTEE(S)	<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> GUARDIAN/CONSERVATOR		<u>July 14, 2006</u>
<input type="checkbox"/> OTHER:		DATE OF DOCUMENT

SIGNER IS REPRESENTING:
(NAME OF PERSON OR ENTITY)
BARRATT AMERICAN INCORPORATED

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

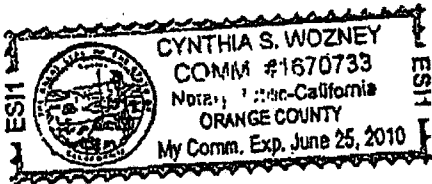
State of CALIFORNIA

County of ORANGE

On JULY 14, 2006 before me, CYNTHIA S. WOZNEY, NOTARY PUBLIC
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared D. J. PICARD
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.

[Handwritten Signature]
SIGNATURE OF NOTARY

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
- CORPORATE OFFICER
- _____ TITLE(S)
- PARTNER(S) LIMITED
- GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: _____

DESCRIPTION OF ATTACHED DOCUMENT

PERFORMANCE BOND
TITLE OR TYPE OF DOCUMENT

ONE PAGE - TWO SIDED
NUMBER OF PAGES

JULY 14, 2006
DATE OF DOCUMENT

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)
ARCH INSURANCE COMPANY

SIGNER(S) OTHER THAN NAMED ABOVE

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

FOR: Streets and Drainage	\$ <u>2,741,350</u>	Tract No.	<u>32049</u>
Water System	\$ <u>35,250</u>	Parcel Map No.	<u> </u>
Sewer System	\$ <u>98,250</u>	Bond No.	<u>SU5020995</u>
		Premium	<u>INCLUDED IN PERF. BOND</u>
Surety	<u>ARCH INSURANCE COMPANY</u>	Principal	<u>BARRATT AMERICAN INCORPORATED</u>
Address	<u>135 N. LOS ROBLES AVE. #825</u>	Address	<u>5950 PRIESTLY DRIVE</u>
City/State	<u>PASADENA, CA</u>	City/State	<u>CARLSBAD, CA</u>
Zip	<u>91101</u>	Zip	<u>92008</u>
Phone	<u>626-639-5200</u>	Phone	<u>760-431-0800</u>

WHEREAS, the County of Riverside, State of California, and BARRATT AMERICAN INCORPORATED,
A DELAWARE CORPORATION.

(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) 32049, 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 TWO MILLION EIGHT HUNDRED SEVENTY-FOUR THOUSAND EIGHT HUNDRED FIFTY--- Dollars (\$ 2,874,850.00---) 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 judgement 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.~~

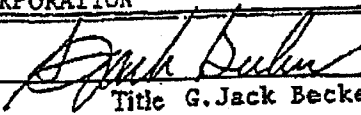
MATERIAL AND LABOR BOND

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 JULY 14, _____, 2006 _____.

NAME OF PRINCIPAL: BARRATT AMERICAN INCORPORATED, _____

A DELAWARE CORPORATION

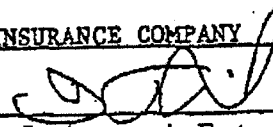
AUTHORIZED SIGNATURE(S): By: 
Title G. Jack Becker, Vice President

Title

Title

(IF CORPORATION, AFFIX SEAL)

NAME OF SURETY: ARCH INSURANCE COMPANY _____

AUTHORIZED SIGNATURE:  _____
D.J. PICARD, Its Attorney-in-Fact Title

(IF CORPORATION, AFFIX SEAL)

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

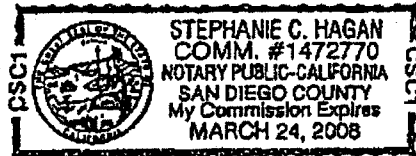
CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
COUNTY OF SAN DIEGO)

On July 17, 2006, before me, STEPHANIE C. HAGAN, Notary Public, personally appeared G. JACK BECKER, 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.

Stephanie C. Hagan
Signature



(Seal)

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

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL		
<input checked="" type="checkbox"/> CORPORATE OFFICER		Bellasol - Bond # SU5020995
<input type="checkbox"/> VICE PRESIDENT		Material & Labor Bond
	TITLE	TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/> PARTNERS		
<input type="checkbox"/> ATTORNEY-IN-FACT	<input type="checkbox"/> LIMITED	<u>2</u>
<input type="checkbox"/> TRUSTEE(S)	<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> GUARDIAN/CONSERVATOR		<u>July 14, 2006</u>
<input type="checkbox"/> OTHER: _____		DATE OF DOCUMENT

SIGNER IS REPRESENTING:
(NAME OF PERSON OR ENTITY)

BARRATT AMERICAN INCORPORATED

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

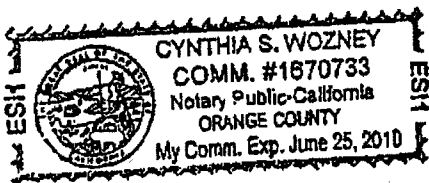
State of CALIFORNIA

County of ORANGE

On JULY 14, 2006 before me, CYNTHIA S. WOZNEY, NOTARY PUBLIC
DATE NAME, TITLE OF OFFICER - E.G. "JANE DOE, NOTARY PUBLIC"

personally appeared D.J. PICARD
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.

[Handwritten Signature]
SIGNATURE OF NOTARY

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
- CORPORATE OFFICER

TITLE(S)

- PARTNER(S) LIMITED
- GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER:

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

ARCH INSURANCE COMPANY

DESCRIPTION OF ATTACHED DOCUMENT

PAYMENT BOND
TITLE OR TYPE OF DOCUMENT

ONE PAGE - TWO SIDED
NUMBER OF PAGES

JULY 14, 2006
DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE

POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

Todd M. Rohm, Cathy S. Kennedy, Sejal P. Lange, D.J. Picard, Beata A. Sensi and Cynthia S. Wozney of Orange, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said 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 in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and 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, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

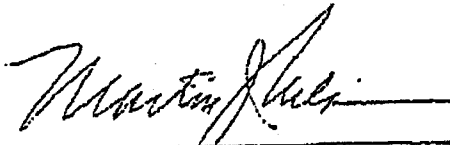
This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.


In Testimony Whereof, the Company has caused this instrument to be signed and its corporate seal to be affixed by their authorized officers, this 2nd of June, 2006.

Arch Insurance Company

Attested and Certified


Martin J. Nilsen, Secretary



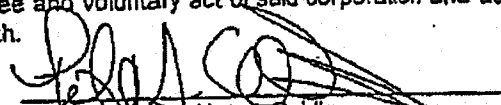

Edward M. Titus, Vice President

STATE OF NEW YORK SS

COUNTY OF NEW YORK SS

I Peter J. Calleo, a Notary Public, do hereby certify that Edward M. Titus and Martin J. Nilsen personally known to me to be the same persons whose names are respectively as Vice President and Secretary of the Arch Insurance Company, a Corporation organized and existing under the laws of the State of Missouri, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they being thereunto duly authorized signed, sealed with the corporate seal and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary acts for the uses and purposes therein set forth.

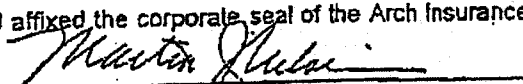
PETER J. CALLEO, ESQ.
Notary Public, State of New York
No. 02CA6109338
Qualified in New York County
Commission Expires May 3, 2008


Peter J. Calleo, Notary Public
My commission expires 5-03-2008

CERTIFICATION

I, Martin J. Nilsen, Secretary of the Arch Insurance Company, do hereby certify that the attached Power of Attorney dated on behalf of the person(s) as listed above is a true and correct copy and that the same has been in full force and effect since the date thereof and is in full force and effect on the date of this certificate; and I do further certify that the said Edward M. Titus, who executed the Power of Attorney as Vice President, was on the date of execution of the attached Power of Attorney the duly elected Vice President of the Arch Insurance Company.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the Arch Insurance Company on this 14TH day of JULY, 2006.


Martin J. Nilsen, Secretary

This Power of Attorney limits the acts of those named therein to the bonds and undertakings specifically named therein and they have no authority to bind the Company except in the manner and to the extent herein stated.

PLEASE SEND ALL CLAIM INQUIRIES RELATING TO THIS BOND TO THE FOLLOWING ADDRESS:

Arch Contractors & Developers Group
135 N. Robles Ave., Ste. 825
Pasadena, CA 91101



TERRORISM RISK INSURANCE ACT OF 2002 STATUS NOTICE

TERRORISM COVERAGE PROVIDED UNDER THIS BOND

The Terrorism Risk Insurance Act of 2002 established a program within the Department of Treasury under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. The Act has been reauthorized excluding coverage which is the subject of this bond.

~~Since the Federal Program has been modified, you will have no coverage for certified acts of terrorism as was previously required under the Terrorism Risk Insurance Act of 2002.~~

If you have any questions, please contact your insurance broker or agent.

This Notice does not form a part of your bond. If there is any conflict between this Notice and the bond (including its endorsements), the provisions of the bond (including its endorsements) apply.

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 Barratt American Incorporated, 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 32049 (Offsite Improvements), 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 nine hundred eight thousand six hundred and no/100 Dollars (\$4,908,600.00).

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 judgement, all such costs, expenses and fees shall be taxed as costs and included in any judgement 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 notices served on the other party by mail, notices required by statute to be served on the other party by mail, stage prepaid, at the following address:

County

Contractor

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

Barratt American Incorporated
A Delaware Corporation
5950 Priestly Drive
Carlsbad, CA 92008

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

By *G. Jack Becker*

Title G. Jack Becker, Vice President

By _____

Title _____

COUNTY OF RIVERSIDE

By _____

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 TRIPPLICATE

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

County

Contractor

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

Barratt American Incorporated
A Delaware Corporation
5950 Priestly Drive
Carlsbad, CA 92008

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

By *G. Jack Becker*

Title G. Jack Becker, Vice President

By _____

Title _____

COUNTY OF RIVERSIDE

By _____

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 TRIPPLICATE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

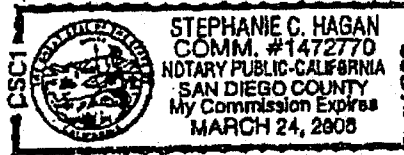
STATE OF CALIFORNIA)
)
 COUNTY OF SAN DIEGO)

On July 17, 2006, before me, STEPHANIE C. HAGAN, Notary Public, personally appeared G. JACK BECKER, 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.

Stephanie C. Hagan

 Signature



(Seal)

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

<p>CAPACITY CLAIMED BY SIGNER</p> <p><input type="checkbox"/> INDIVIDUAL <input checked="" type="checkbox"/> CORPORATE OFFICER <input type="checkbox"/> VICE PRESIDENT _____ TITLE</p> <p><input type="checkbox"/> PARTNERS <input type="checkbox"/> ATTORNEY-IN-FACT <input type="checkbox"/> TRUSTEE(S) <input type="checkbox"/> GUARDIAN/CONSERVATOR <input type="checkbox"/> OTHER: _____</p>	<p>DESCRIPTION OF ATTACHED DOCUMENT</p> <p>BELLASOL - ROAD/DRAINAGE IMPROVEMENT AGMT _____ TITLE OR TYPE OF DOCUMENT</p> <p><input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL</p> <p style="text-align: center;">_____ 3 _____ NUMBER OF PAGES</p> <p style="text-align: center;">_____ July 17, 2006 _____ DATE OF DOCUMENT</p>
---	--

SIGNER IS REPRESENTING:
 (NAME OF PERSON OR ENTITY)

_____ BARRATT AMERICAN INCORPORATED _____