

Decrease PENALTY RIDER

BOND AMOUNT \$7,317,288.00 BOND NO. 6346185 PREMIUM \$36,586.00

To be attached and form a part of Bond No. 6346185 dated the 9th day of June, 2005, executed by Safeco Insurance Company of America as surety, on behalf of Western Pacific Housing, Inc. as current principal of record, and in favor of Contra Costa County, as Obligee, and in the amount of Seven Million Three Hundred Seventeen Thousand Two Hundred Eighty Eight Dollars and 00/100 (\$7,317,288.00).

In consideration of the agreed premium charged for this bond, it is understood and agreed that Safeco Insurance Company of America hereby consents that effective from the 28th day of September, 2009, said bond shall be amended as follows:

THE BOND PENALTY SHALL BE Decreased:

FROM: Seven Million Three Hundred Seventeen Thousand Two Hundred Eighty Eight Dollars and 00/100 (\$7,317,288.00)

TO: One Million One Hundred Eight Thousand Six Hundred Eighty Dollars and 00/100 (\$1,108,680.00)

The Decrease of said bond penalty shall be effective as of the 28th day of September, 2009, and does hereby agree that the continuity of protection under said bond subject to changes in penalty shall not be impaired hereby, provided that the aggregate liability of the above mentioned bond shall not exceed the amount of liability assumed by it at the time the act and/or acts of default were committed and in no event shall such liability be cumulative.

Signed, sealed and dated this 30th day of September, 2009.

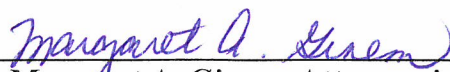
Western Pacific Housing, Inc.

PRINCIPAL

BY: 

Safeco Insurance Company of America

SURETY

BY: 
Margaret A. Ginem, Attorney-in-Fact

C/O WILLIS HRH
3000 BAYPORT DRIVE, #300
TAMPA, FL 33607
INQUIRIES: (813) 281-2095

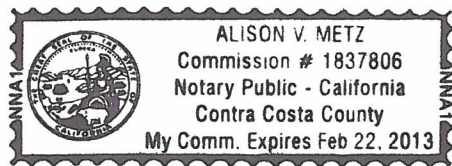
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Alameda

On Dec 4, 2009 before me, Alison V. Metz, Notary Public

personally appeared Dean K. Mills



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

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

WITNESS my hand and official seal.

Signature Alison V. Metz

Place Notary Seal Above

Signature of Notary Public

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

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

Signer Is Representing: _____



Signer's Name: _____

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

Signer Is Representing: _____



CERTIFICATE OF ASSISTANT SECRETARY

The undersigned hereby certifies as follows:

1. He is a duly elected, qualified and acting Assistant Secretary of Western Pacific Housing, Inc., a Delaware corporation (the "Company"), is familiar with the facts herein certified and is duly authorized to certify the same.

2. The following is a true, correct and complete copy of resolutions related to the subject matter as adopted by the Consent of Sole Director of the Company dated March 1, 2007 (the "Resolutions"). The Resolutions have not been amended, rescinded or modified and remain in full force and effect as of the date hereof.

Election of Assistant Vice President of Forward Planning and Assistant Secretary

RESOLVED, that Dean K. Mills is hereby elected to the office of Assistant Vice President and Assistant Secretary of the Company (the "Assistant Vice President") in the San Francisco Bay Area Division (the "Division") to serve until the next annual meeting of the directors of the Company and until his successor is duly elected and qualified or until his earlier death, resignation or removal.

RESOLVED FURTHER, that the Assistant Vice President is hereby authorized on behalf of (i) the Company, (ii) any partnership of which the Company is a general partner, manager or agent, and (iii) any limited liability company of which the Company is a member, manager or agent (collectively, the "Entities") to sign, modify and terminate, from time to time as he deems it to be in the best interest of the Entities, homeowner association documents, CC&Rs, subdivision agreements, utility agreements, condominium plans, all agency applications relating to development, construction contracts, purchase orders, affordable housing agreements, security bonds, consultant agreements, final maps, permits, engineering agreements and other similar or equivalent agreements or documents for the Division relating to the business of the Entities.

RESOLVED FURTHER, that in connection with the management of the Entities' business, the Assistant Vice President is hereby authorized and empowered, in the name and on behalf of the Entities in the Division, to execute and deliver (i) contracts, agreements and other documents and instruments for the subdivision, development and/or improvement of real property, and (ii) personal property leases for, among other things, office equipment and construction trailers.

IN WITNESS WHEREOF, the undersigned has set his hand on the 6th day of March, 2007.



Thomas R. Hudnall
Assistant Secretary

CERTIFICATE OF ASSISTANT SECRETARY

The undersigned hereby certifies as follows:

1. He is a duly elected, qualified and acting Assistant Secretary of Western Pacific Housing Management, Inc., a California corporation (the "Company"), is familiar with the facts herein certified and is duly authorized to certify the same.
2. The following is a true, correct and complete copy of resolutions related to the subject matter as adopted by the Consent of Sole Director of the Company dated March 1, 2007 (the "Resolutions"). The Resolutions have not been amended, rescinded or modified and remain in full force and effect as of the date hereof.

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IN WITNESS WHEREOF, the undersigned has set his hand on the 6th day of March, 2007.



Thomas R. Hudnall
Assistant Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of Florida

County of Hillsborough

On September 30, 2009 before me, Marianella Barnola
Date Name and Title of Notary

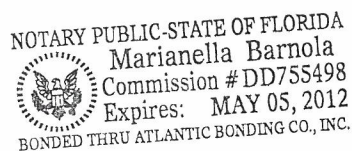
personally appeared Margaret A. Ginem
Name and or Names of Signer(s)

Who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/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.

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

Witness my hand and official seal.

Signature Marianella Barnola
Notary Public Signature
Marianella Barnola



Place Notary Public Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document _____

Document Date _____ Number of Pages: _____

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer – Title(s): _____
☐ Partner - ☐ Limited ☐ General
☐ Guardian or Conservator
☒ Attorney-in-Fact
☐ Trustee
☐ Other: _____
Signer is representing _____
Safeco Insurance Company of
America

RIGHT THUMBPRINT
OF SIGNER
Top of thumb

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

RIGHT THUMBPRINT
OF SIGNER
Top of thumb

POWER
OF ATTORNEY

No. 10171

KNOW ALL BY THESE PRESENTS:

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

*****NELA BARNOLA; ANETT CARDINALE; DAVID H. CARR; JAMES W. DUNN; MARGARET A. GINEM; CAROL H. HERMES; LINDA HORN; KEVIN F. MCGRATH; DENISE TAYLOR; Tampa Bay, Florida*****

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

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

this 14th day of July, 2009

Dexter R. Legg

Dexter R. Legg, Secretary

Timothy A. Mikolajewski

Timothy A. Mikolajewski, Vice President

CERTIFICATE

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

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

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

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

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

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

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

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

this 30th day of September, 2009



Dexter R. Legg

Dexter R. Legg, Secretary