

**RECORDING REQUESTED BY AND WHEN  
RECORDED, PLEASE RETURN TO:**

**City Clerk  
CITY OF ROSEVILLE  
311 Vernon Street  
Roseville, CA 95678**

Exempt from recording fees  
Pursuant to Govt. Code §27383

**SUBDIVISION AGREEMENT**

SIERRA VISTA KT-20B SUBDIVISION

THIS AGREEMENT, made and entered into this \_\_\_ day of \_\_\_\_\_,  
20\_\_\_, by and between the CITY OF ROSEVILLE, a municipal corporation (“CITY”), and  
LENNAR HOMES OF CALIFORNIA LLC, a California limited liability company  
(the “SUBDIVIDER”) and AG EHC II (LEN) CA 2, L.P., a Delaware limited partnership  
(the “OWNER”).

**WITNESSETH:**

WHEREAS, OWNER is possessed of a tract of land lying in the City of Roseville,  
County of Placer, known as “Sierra Vista KT-20B Subdivision” (Subdivision no.  
PL17-0305; “the Subdivision”); and

WHEREAS, a tentative map of the Subdivision was approved by the City Planning  
Commission on the 31 day of December, 2015, and the final map of the  
Subdivision has been approved subject to the execution of this Agreement; OR

WHEREAS, the final map has been filed on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ in Book \_\_\_\_\_ of Parcel/Subdivision Maps at Page \_\_\_\_\_ in the Official Records, Placer County Recorder, file no. \_\_\_\_\_; and

WHEREAS, SUBDIVIDER holds an option to purchase the Subdivision (“Optioned Property”) from the OWNER for development; and

WHEREAS, Section 18.20.110 of the Roseville Municipal Code, regulating the subdivision of land in the City, requires that SUBDIVIDER shall execute and file an agreement between itself and CITY relating to the improvements to be made in a subdivision, prior to the approval by the City Council of the final map.

NOW, THEREFORE, the parties agree as follows:

1. Rights-of-Way. Except as otherwise provided by this Agreement, CITY rejects all lands, right-of-ways, and easements offered for dedication on the final map of the Subdivision. All such offers shall, however, remain open, and shall constitute irrevocable offers of dedication in accordance with Government Code Section 66477.2. All such offers may be accepted by CITY in its sole discretion at any later date without further notice to SUBDIVIDER as provided by law.

By way of explanation only, it is the current intention of CITY to accept all or part of such irrevocable offers to dedicate upon acceptance of the improvements called for in this Agreement.

2. Improvements - Time Limit. SUBDIVIDER agrees to cause all improvements to be made and constructed in the Subdivision to fully comply with the requirements of the Roseville Municipal Code and the Subdivision Map Act of the State of California according to

the improvement plans for the Subdivision prepared by R.E.Y. Engineers, Inc, dated May 12, 2022 and approved by the City Engineer and including any changes or alterations to such improvements required by the City Engineer, and to install, on or before December 31, 2023, such survey monuments as may be required by the City Engineer ("the Work"). SUBDIVIDER agrees to pay for any materials, provisions or other supplies used in, upon, for or about the performance of the Work, or for any work or labor of any kind done in connection with the Work, or for any amounts due under the Unemployment Insurance Act with respect to such work or labor.

SUBDIVIDER agrees to complete all of the Work on or before twenty-four (24) months from the date of this Agreement. If in the opinion of the City Engineer of CITY, an extension of this Agreement is not detrimental to the public welfare, he or she is, in his or her sole discretion, hereby authorized to extend the time within which the Work shall be completed for a period not to exceed twelve (12) months. Upon a written application made by SUBDIVIDER, further extensions, not to exceed an additional six (6) months, shall be reviewed and approved at the discretion of the City Engineer of CITY. Any such application extension request by SUBDIVIDER shall fully state the grounds and facts relied upon for the granting of additional extensions.

In the event that SUBDIVIDER shall fail to complete the Work within the time provided by this Agreement, CITY may, in its sole discretion and in addition to any other remedy provided in this Agreement or by law, enter upon the Subdivision and complete the Work and recover the full cost and expense of such construction from SUBDIVIDER, SUBDIVIDER's successors and assigns, or from the then owner of the Subdivision, and/or place a lien upon the Subdivision for such cost and expense.

If at any time prior to the expiration of the time provided by this Agreement the City Engineer of CITY determines that a safety hazard exists within an existing public right-of-way, the City Engineer shall give written notice to SUBDIVIDER to eliminate the safety hazard. If SUBDIVIDER fails to eliminate the safety hazard within five (5) calendar days of the written notice, CITY may, in its sole discretion and in addition to any other remedy provided in this Agreement or by law, eliminate the safety hazard and recover the full cost and expense of such work from SUBDIVIDER, SUBDIVIDER's successors and assigns, or from the then owner of the Subdivision, and/or place a lien upon the Subdivision for such cost and expense.

3. Acquisition and Dedication of Easements or Rights-of-Ways. If any of the Work is to be constructed or installed on land not within the Subdivision or already existing public right-of-way, no construction or installation shall be commenced before:

a. The irrevocable offer of dedication or conveyance to CITY of appropriate right-of-ways, easements or other interest in real property, and appropriate authorization from the property owner to allow construction or installation of the improvements or work; or

b. The issuance of an order of possession by a court of competent jurisdiction pursuant to the State Eminent Domain Law. SUBDIVIDER shall comply in all respects with any such order of possession.

Nothing in this Section 3 shall be construed as authorizing or granting an extension of time to SUBDIVIDER for completion of the Work.

4. Inspection Fees and Costs. The City Engineer shall inspect all of the Work improvements made in the Subdivision to see that they comply with CITY's subdivision regulations and specifications. SUBDIVIDER shall deposit the estimated inspection fee and

reimburse CITY for the cost of such inspections in accordance with Roseville Municipal Code section 18.20.070.

5. Securities.

a. SUBDIVIDER shall file with this Agreement two (2) improvement securities as set forth in Roseville Municipal Code Sections 18.20.150 and 18.20.160. Each security shall be in the amount of one hundred percent (100%) of the total estimated cost of the Work as determined by the City Engineer which amount is the sum of \$ 3,227,394.89 . One improvement security shall secure faithful performance of this Agreement as required by Section 66499.3(a) of the Government Code of the State of California (the "faithful performance" security). The second improvement security shall, as required by Section 66499.3(b) of the Government Code of the State of California, secure the obligations set forth in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California for payment to the contractor, his subcontractors and to persons renting equipment or furnishing labor or materials to them for the Work (the "payment security"). The improvement securities required under this paragraph shall also secure placement of monumentation and guarantee payment therefor as provided by California Government Code section 66496.

b. SUBDIVIDER shall also file with this Agreement a "guarantee and warranty security" in the amount of ten percent (10%) of the City Engineer's estimated cost of the Work as set forth in Section 18.20.170 of the Roseville Municipal Code to guarantee and warrant the Work for a period of one year following its completion and acceptance against any defective work or labor done, or defective materials furnished, as required by Section 66499(a)(5) of the Government Code of the State of California. The guarantee and warranty security shall be released upon SUBDIVIDER's request following expiration of the warranty

period and subject to the reasonable determination of the City Engineer that SUBDIVIDER's warranty obligations have been satisfied.

c. Any bonds submitted as security pursuant to this section shall be executed by a surety company authorized to transact a surety business in the State of California. All required securities shall be in a form approved by the City Attorney of CITY.

6. Successors and Assigns – Covenant Running with the Land. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the respective parties. It shall be recorded in the Office of the Recorder of Placer County concurrently with the final map of the Subdivision, and shall constitute a covenant running with the land and an equitable servitude upon the real property within the Subdivision.

7. Acceptance of Improvements Upon Completion. Upon satisfactory completion of the Work, in accordance with this Agreement, CITY agrees to accept the Work and its improvements and the offers of dedication described in paragraph 1, subject to the provisions of paragraphs 1 and 10 of this Agreement.

8. Notice Regarding Construction. SUBDIVIDER shall notify the City Engineer of CITY in writing three (3) days prior to the commencement of construction of the Work.

9. Subdivider's Obligation to Warn Public During Construction. Until final acceptance of the Work, SUBDIVIDER shall give good and adequate warning to the public of each and every dangerous condition which may exist in the Work, and will take all reasonable actions to protect the public from any such dangerous condition.

10. Warranty.

a. SUBDIVIDER guarantees and warrants the public improvements which constitute the Work required by this Agreement, and agrees to remedy any defects in the

improvements or the Work arising from faulty or defective materials or construction of said improvements or the Work occurring within twelve (12) months after their acceptance by CITY. SUBDIVIDER agrees to permit inspection of all improvements in the Subdivision by the City Engineer of CITY for such period, and to reimburse CITY for the cost of such inspections.

b. If, within the warranty period, the Work or improvement or any part of the Work done, furnished, installed, or constructed fails to fulfill any of the requirements of this Agreement or the improvement plans and specifications, SUBDIVIDER shall, without delay or cost to CITY, repair, replace or reconstruct any defective or otherwise unsatisfactory part or parts of the Work. CITY may, at its sole option, perform such repair or replacement itself if SUBDIVIDER has failed to commence such repair within twenty (20) days after CITY has mailed written notice of default to SUBDIVIDER and to SUBDIVIDER'S Surety. In such event, SUBDIVIDER agrees to pay the cost of such repair and replacement by CITY and CITY may, at its option, recover such cost as a lien against the Subdivision should the cost exceed the inspection fee deposited pursuant to paragraph 4 of this Agreement.

Should CITY determine that the public safety requires repairs or replacements to be made before SUBDIVIDER can be notified, CITY may, in its sole discretion, make the necessary repairs or replacement or perform the necessary work. SUBDIVIDER shall pay to CITY the cost of such repairs and CITY may at its option recover such cost as a lien against the Subdivision.

11. Indemnification. To the fullest extent allowed by law, SUBDIVIDER shall defend, indemnify, and save and hold harmless CITY, its officers, agents, employees and volunteers from any claims, suits or actions of every name, kind and description brought forth, or on account of, injuries to or death of any person (including but not limited to workers and the

public), or damage to property, resulting from or arising out of SUBDIVIDER 's willful misconduct or negligent act or omission while engaged in the performance of obligations or exercise of rights created by this Agreement, except those matters arising from CITY's sole or active negligence or willful misconduct. The parties intend that this provision shall be broadly construed.

SUBDIVIDER's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law. The defense and indemnity obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement.

12. Insurance. SUBDIVIDER agrees to continuously maintain, in full force and effect, at a minimum the following policies of insurance during the term of this Agreement.

<u>COVERAGE</u>	<u>LIMITS OF LIABILITY</u>
General Liability	\$2,000,000 per occurrence \$4,000,000 aggregate Personal Injury: \$2,000,000 per occurrence \$4,000,000 aggregate
Automobile Liability	\$1,000,000 combined single limit
Workers' Compensation	Statutory

a. Form. SUBDIVIDER shall submit a certificate evidencing such coverage for the period covered by this Agreement in a form satisfactory to Risk Management and the City Attorney, prior to undertaking any work hereunder. Any insurance written on a claims made basis is subject to the approval of Risk Management and the City Attorney.

b. Additional Insureds. SUBDIVIDER shall also provide a separate endorsement form or section of the policy showing CITY, its officers, agents, employees and



volunteers as additional insureds for each type of coverage, except for Workers' Compensation, for ongoing and completed operations. Such insurance shall specifically cover the contractual liability of SUBDIVIDER. The additional insured coverage under the SUBDIVIDER's policy shall be primary and noncontributory, as evidenced by a separate endorsement or section of the policy, and shall not seek contribution from CITY's insurance or self-insurance. In addition, the additional insured coverage shall be at least as broad as the Insurance Services Office ("ISO") CG 20 01 Endorsement. Any available insurance proceeds in excess of the specified minimum insurance coverage requirements and limits shall be available to the additional insureds. Furthermore, the requirements for coverage and limits shall be: (1) the minimum coverage and limits specified in this Agreement; or (2) the full coverage and maximum limits of any insurance proceeds available to the named insureds, whichever is greater.

c. Cancellation/Modification. SUBDIVIDER shall provide ten (10) days written notice to CITY prior to cancellation or modification of any insurance required by this Agreement.

d. Umbrella/Excess Insurance. The limits of insurance required in this Agreement may be satisfied by a combination of primary and excess insurance. Any excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of CITY (if agreed to in a written contract) before CITY's own insurance shall be called upon to protect it as a named insured.

e. Self-Insured Retentions. All self-insured retentions ("SIR") must be disclosed to Risk Management for approval and shall not reduce the limits of liability. Policies containing any SIR provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named insured or CITY. CITY reserves the right to obtain a full

certified copy of any insurance policy and endorsements. The failure to exercise this right shall not constitute a waiver of such right.

f. Waiver of Subrogation. SUBDIVIDER hereby agrees to waive subrogation which any insurer of SUBDIVIDER may acquire from SUBDIVIDER by virtue of the payment of any loss under a Workers Compensation, Commercial General Liability or Automobile Liability policy. All Workers Compensation, Commercial General Liability and Automobile Liability policies shall be endorsed with a waiver of subrogation in favor of CITY, its officers, agents, employees and volunteers for all worked performed by SUBDIVIDER, its employees, agents and subcontractors.

g. Liability/Remedies. Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve SUBDIVIDER of liability in excess of such coverage, nor shall it preclude CITY from taking such other actions as are available to it under any other provisions of this Agreement or law.

13. Irrevocability of Security. The improvement securities furnished pursuant to paragraph 5 shall be irrevocable, shall not be limited as to time (except as to the one-year guarantee and warranty period specified in paragraph 10) and shall provide that they may be released, in whole or part, only upon the written approval of the City Engineer of CITY.

14. Attorney's Fees; Venue; Governing Law. Any action by any party to this Agreement, or any action concerning a security furnished pursuant to paragraph 5, shall be brought in the appropriate court of competent jurisdiction within the County of Placer, State of California, notwithstanding any other provision of law which may provide that such action may be brought in some other location. In the event it becomes necessary for either party to bring an action with respect to enforcement of the provisions of this Agreement, or the security therefor,

the prevailing party in such action shall be awarded a reasonable attorney's fee, as may be determined by the Court. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

15. Release of Faithful Performance Security. Release of faithful performance security shall be in compliance with and pursuant to the procedures set forth in Government Code Section 66499.7. Upon the completion of all secured Work by SUBDIVIDER and written acceptance of that completed Work by CITY, and the furnishing of the warranty security as required by paragraph 5(b), the City Engineer shall authorize the release of the remaining faithful performance security.

16. Release of Payment Security. Thirty-five (35) days after a notice of completion is recorded with respect to the Work, the City Engineer of CITY may authorize the release of the payment security, in the event that no claims have been filed against said security. In the event that claims or actions are filed against the security, the City Engineer may release so much of such security as is in excess of the total of the claims made against it, plus a reasonable amount of costs and attorney's fees.

17. Automatic Termination Upon Completion and Sale of Residential Unit. This Agreement and any lien pursuant hereto shall automatically be terminated, without any further action by either party or need to record any additional document, with respect to any single-family residential lot within a parcel designated by the Specific Plan for residential use, upon completion of construction and issuance by the City of a final inspection for a dwelling unit upon such residential lot and conveyance of such improved residential lot to a bona-fide good faith purchaser thereof. In connection with its issuance of a final inspection for such improved lot, City shall confirm that: (i) all improvements which are required to serve the lot, as determined by

City, have been accepted by City; (ii) the lot is included within the Maintenance CFD required by Section 3.20 or other financing mechanism acceptable to the City, to the extent required hereby; and (iii) if and to the extent applicable to such lot, an affordable purchase or rental housing agreement has been recorded on the lot. Termination of this Agreement for any such residential lot as provided for in this section shall not in any way be construed to terminate or modify any assessment district or Mello-Roos Community Facilities District lien affecting such lot at the time of termination.

18. Failure of Performance. In addition to any other remedies provided in this Agreement or by law, in the event SUBDIVIDER fails to perform one or more of the covenants or conditions of this Agreement, CITY shall have recourse to the security given to guarantee the performance of such acts. CITY may do, or cause to be done, those acts required of SUBDIVIDER, and shall have recourse against so much of the security as is necessary to discharge the responsibility of SUBDIVIDER. In the event CITY seeks recourse against a security, CITY shall also have recourse against SUBDIVIDER for any and all amounts necessary to complete the obligations of SUBDIVIDER in the event the security is insufficient to pay such amounts. All administrative costs, including reasonable attorney's fees pursuant to Section 66499.4 of the Government Code, incurred by CITY, in addition to the costs of the improvements, shall be a proper charge against the security and SUBDIVIDER.

19. Integration. This Agreement is an integrated agreement. It supersedes all prior negotiations, representations, or agreements, either written or oral.

20. Modification. This Agreement and each provision contained herein may be waived, amended, supplemented or eliminated only by mutual written agreement of the parties.

21. Notices. Any notices sent to the parties relating to this Agreement shall be sent by first class mail, postage prepaid or delivered to the following addresses:

CITY: Marc Stout, City Engineer  
City of Roseville  
311 Vernon Street  
Roseville, CA 95678

SUBDIVIDER: Lennar Homes of California, llc  
1025 Creekside Ridge Dr. #240  
Roseville, CA 95678  
Attn: Larry Gualco

OWNER: Essential Housing Asset Management, llc  
8585 E. Hartford Dr. #118  
Scottsdale, AZ 85255  
Attn: Jaime Adams/ Steven Benson

Parties may amend their address by giving written notice to the other parties.

22. Severability. If any of the provisions contained in this Agreement are for any reason held invalid or unenforceable, such holding shall not affect the remaining provisions or the validity and enforceability of the Agreement as a whole.

23. Owner's Disclaimer. OWNER is executing this Agreement to allow the recordation of it against the Optioned Property. Nothing contained in this Agreement, including OWNER's execution of it, shall be construed to be a waiver of any and all defenses OWNER may have in the absence of executing this Agreement, including but not limited to, a waiver of any defenses to potential liability under the Agreement.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No. \_\_\_\_\_, adopted by the Council of the City of Roseville on the

15 day of June, 2022, and SUBDIVIDER and OWNER have caused this Agreement to be executed.

CITY OF ROSEVILLE, a  
municipal corporation,

BY: \_\_\_\_\_  
DOMINICK CASEY  
City Manager

ATTEST:

BY: \_\_\_\_\_  
~~SONIA OROZCO~~  
City Clerk, *Carmen Avalos*

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
ROBERT R. SCHMITT  
City Attorney, *Michelle Sheidenberger*

APPROVED AS TO SUFFICIENCY:

BY: \_\_\_\_\_  
MARC STOUT  
City Engineer

SUBDIVIDER:

LENNAR HOMES OF CALIFORNIA LLC, a  
limited liability company

BY: \_\_\_\_\_  
*Larry Gualco*  
Larry Gualco,  
its Vice President

OWNER:

AG EHC II (LEN) CA 2, L.P., a  
limited partnership

BY: Essential Housing Asset Management, llc  
an Arizona limited liability company,  
its Authorized Agent

By: \_\_\_\_\_  
*Steve S. Benson*  
Steve S. Benson, its Manager

(NOTARIZATION REQUIRED)

SUBDIVISION AGREEMENT – SIERRA VISTA KT-20B

STATE OF ARIZONA}

COUNTY OF MARICOPA}

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Arizona, on this day personally appeared Steven J. Benson, Manager of Essential Housing Asset Management, LLC, an Arizona limited liability company, Authorized Agent of AG EHC II (LEN) CA 2, L.P., a Delaware limited partnership, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that ( ) he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said company.

Given under my hand and seal of office this 15 day of June, 2022.

Jaime Marie Adams

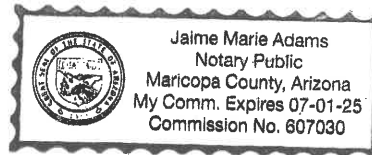
Notary's Signature

Jaime Marie Adams

Name typed or printed

07/01/2025

Commission Expires



## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Placer )

On July 5, 2022 before me, Rosa Catanzaro, Notary Public  
(insert name and title of the officer)

personally appeared Larry Gualco,  
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  (Seal)

