



Continuation Sheet For:

**SUBDIVISION IMPROVEMENT AND WARRANTY PERFORMANCE BOND**

AS PART OF THE OBLIGATION SECURED HEREBY, and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the CITY in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered therefor.

THE SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the annexed agreement, or to the work to be performed thereunder, or to the specifications accompanying the work to be performed, shall in anywise affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said agreement, or to the work, or to the plans and specifications. The provisions of Section 2945 of the Civil Code are not a condition precedent to the Surety's obligation hereunder, and are hereby waived by the SURETY.

IN WITNESS WHEREOF, this instrument has been duly executed by the above named PRINCIPAL and SURETY on June 20, 2017.

Principal Signatories

**SHAPELL LIBERTY INVESTMENT PROPERTIES, LLC, A DELAWARE LIMITED LIABILITY COMPANY**

By: Shapell Porter, LLC, a Delaware limited liability company, Member

By: Shapell Properties, Inc., a Delaware corporation, Its Sole Member

By:  William P. West, Prsident

SURETY: The Continental Insurance Company

By:  Tracy Aston, (Attorney-in-Fact)

Surety's Address: 4150 N. Drinkwater Blvd., Suite 105, Scottsdale, AZ 85251

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            )

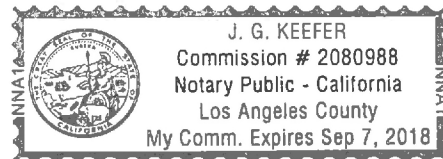
COUNTY OF LOS ANGELES        )

On June 26, 2017, before me, J.G. Keefer, a Notary Public, personally appeared William P. West, 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)



# CALIFORNIA ALL-PURPOSE 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.

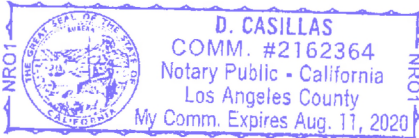
State of California

County of Los Angeles

On JUN 20 2017 before me, D. Casillas, Notary Public, personally appeared Tracy Aston 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 \_\_\_\_\_

Signature of Notary Public

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That The Continental Insurance Company, a Pennsylvania insurance company, is a duly organized and existing insurance company having its principal office in the City of Chicago, and State of Illinois, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Tracy Aston, Tom Branigan, Edward C Spector, Kristine Mendez, Daravy Mady, Lisa K Crail, Simone Gerhard, B Aleman, Benjamin Lee Wolfe, K D Conrad, Individually

of Los Angeles, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the insurance company and all the acts of said Attorney, pursuant to the authority hereby given is hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law and Resolutions, printed on the reverse hereof, duly adopted, as indicated, by the Board of Directors of the insurance company.

In Witness Whereof, The Continental Insurance Company has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 9th day of June, 2015.

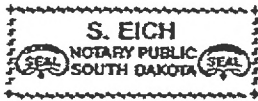


The Continental Insurance Company

Paul T. Bruflat Vice President

State of South Dakota, County of Minnehaha, ss:

On this 9th day of June, 2015, before me personally came Paul T. Bruflat to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is a Vice President of The Continental Insurance Company, a Pennsylvania insurance company, described in and which executed the above instrument; that he knows the seal of said insurance company; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said insurance company and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said insurance company.



My Commission Expires February 12, 2021

S. Eich Notary Public

CERTIFICATE

I, D. Bult, Assistant Secretary of The Continental Insurance Company, a Pennsylvania insurance company, do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Law and Resolution of the Board of Directors of the insurance company printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said insurance company this JUN 20 2017 day of



The Continental Insurance Company

D. Bult Assistant Secretary



Continuation Sheet For:

**SUBDIVISION LABOR AND MATERIAL PAYMENT BOND**

IT IS EXPRESSLY STIPULATED AND AGREED that this bond shall insure to the benefit of any and all persons, companies and corporations entitled to file 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 to 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.

THE SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract, or to the work to be performed thereunder, or to plans and specifications for the work to be performed, shall in any manner affect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration or addition. The provisions of Section 2845 of the Civil Code are not a condition precedent to the SURETY's obligation hereunder and are hereby waived by the SURETY.

IN WITNESS WHEREOF, this instrument has been duly executed by the above named PRINCIPAL and SURETY on June 20, 2017.

Principal Signatories

Principal Signatories

**SHAPELL LIBERTY INVESTMENT PROPERTIES, LLC, A DELAWARE LIMITED LIABILITY COMPANY**

By: Shapell Porter, LLC, a Delaware limited liability company, Member

By: Shapell Properties, Inc., a Delaware corporation, Its Sole Member

By: William P. West, President

SURETY: The Continental Insurance Company

By:  Tracy Aston, (Attorney-in-Fact)

Surety's Address: 4150 N. Drinkwater Blvd., Suite 105, Scottsdale, AZ 85251

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 )

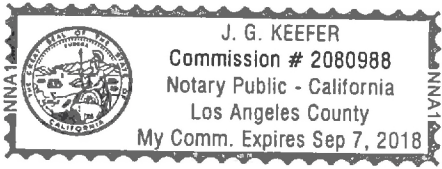
COUNTY OF LOS ANGELES )

On June 26, 2017, before me, J.G. Keefer, a Notary Public, personally appeared William P. West, 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)





# CALIFORNIA ALL-PURPOSE 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 Los Angeles

On JUN 20 2017 before me, D. Casillas, Notary Public, personally appeared Tracy Aston 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   
Signature of Notary Public

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That The Continental Insurance Company, a Pennsylvania insurance company, is a duly organized and existing insurance company having its principal office in the City of Chicago, and State of Illinois, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Tracy Aston, Tom Branigan, Edward C Spector, Kristine Mendez, Daravy Mady, Lisa K Crail, Simone Gerhard, B Aleman, Benjamin Lee Wolfe, K D Conrad, Individually

of Los Angeles, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the insurance company and all the acts of said Attorney, pursuant to the authority hereby given is hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law and Resolutions, printed on the reverse hereof, duly adopted, as indicated, by the Board of Directors of the insurance company.

In Witness Whereof, The Continental Insurance Company has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 9th day of June, 2015.

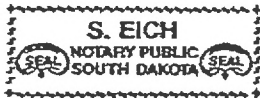


The Continental Insurance Company

Paul T. Bruflat Vice President

State of South Dakota, County of Minnehaha, ss:

On this 9th day of June, 2015, before me personally came Paul T. Bruflat to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is a Vice President of The Continental Insurance Company, a Pennsylvania insurance company, described in and which executed the above instrument; that he knows the seal of said insurance company; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said insurance company and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said insurance company.



My Commission Expires February 12, 2021

S. Eich Notary Public

CERTIFICATE

I, D. Bult, Assistant Secretary of The Continental Insurance Company, a Pennsylvania insurance company, do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Law and Resolution of the Board of Directors of the insurance company printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said insurance company this JUN 20 2017 day of



The Continental Insurance Company

D. Bult Assistant Secretary

APPROVED FOR THE  
CITY ENGINEER BY

WJ  
BOND CONTROL

CAO 170245

DATE APPROVED 6/29/2017

ACCEPTED  
RISK MANAGEMENT  
CITY ADMINISTRATIVE OFFICE

City of Los Angeles  
DEPARTMENT OF PUBLIC WORKS  
**SUBDIVISION IMPROVEMENT AGREEMENT AND CONTRACT**

THIS AGREEMENT AND CONTRACT, made and entered into, by and between the CITY OF LOS ANGELES, hereinafter designated as the CITY; and **SHAPELL LIBERTY INVESTMENT PROPERTIES, LLC**

hereinafter designated as SUBDIVIDER; WITNESSETH:

ONE: For, and in consideration of the approval of the final map of that certain division of land known as:

**TR 53783-M6 - OFFSITE COND. E.3B & C**

and for acceptance of the dedication therein by the CITY, the SUBDIVIDER hereby agrees, at his own costs and expense, to construct and install all public improvements required in and adjoining and covered by the final map which are shown on plans, profiles and specifications, previously supplied to the City Engineer; and to furnish all equipment, labor and materials necessary to construct, install and complete the required improvements in a good and workmanlike manner. The estimated cost for completion of the above-mentioned work and improvement is the sum of **THREE HUNDRED FIFTY THREE THOUSAND AND NO/100 Dollars (\$353,000.00)**.

TWO: It is agreed that the SUBDIVIDER has furnished to the City Engineer all necessary final plans, profiles and standard specifications for the required public improvements; or, that in lieu of such final plans, profiles and specifications, the City Engineer has been furnished preliminary plans that are of sufficient detail so as to be approved by the City Engineer for use in the preparation of the estimated cost of the required improvements. In consideration of the acceptance of such preliminary plans by the City Engineer, the SUBDIVIDER hereby agrees to furnish all necessary final plans, profiles and specifications in a form that will be sufficient to be processed and approved by the City Engineer not later than six (6) months from the date the final map of said subdivision of land is filed for record with the County Recorder, County of Los Angeles, State of California.

THREE: The SUBDIVIDER agrees to perform all of the above-mentioned work under permit or permits to be issued by the Board of Public Works, hereinafter designated as the BOARD. All work shall be performed in accordance with the standards and specifications of the BOARD, as amended, and to the approval of the City Engineer. The SUBDIVIDER further agrees to pay for such inspection of work and improvements as may be required by the BOARD, and the performance of the work shall be further conditioned upon due compliance with all of the provisions of Article 7 of Chapter 1, and Sections 62.105 through 62.117, inclusive, of the Los Angeles Municipal Code, as amended.

Continuation Sheet For:

## SUBDIVISION IMPROVEMENT AGREEMENT AND CONTRACT

TEN: It is agreed that the SUBDIVIDER has filed or deposited with the CITY a good and sufficient IMPROVEMENT SECURITY in accordance with the provisions of Section 17.08G of the Municipal Code of the CITY, in an amount equal to or greater than the estimated cost of construction and installation of the required improvements and an amount sufficient to act as warranty for said improvements as defined in Article Eight hereof, together with reasonable attorney's fees which may be incurred by the CITY in enforcing the terms and conditions of this contract. IN ADDITION TO the Improvement Security, it is further agreed that the SUBDIVIDER has filed or deposited a good and sufficient PAYMENT SECURITY for labor and materials in an amount not less than fifty (50) percent of the amount of the Improvement Security, 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. If the sureties or security on either said Improvement Security or Payment Security, or both, in the opinion of the CITY become insufficient, in any respect, the SUBDIVIDER hereby agrees to furnish sufficient additional security within ten (10) days after receiving notice from the CITY that said extant securities are insufficient.

ELEVEN: It is further understood and agreed, that in the event it is deemed necessary to extend the time for the performance of the work contemplated to be done under this contract, such extensions of time may be granted by the City Engineer or by the BOARD, or both, either at their own option or upon request of the SUBDIVIDER, and such extensions shall in no way affect the validity of this contract, the Subdivision Cash or Negotiable Security Improvement and Warranty Performance Agreement executed in connection herewith or release the Surety on any Surety Bond or Bonds. Such extensions of time may be conditioned upon a construction schedule to be specified by the City Engineer, and/or a revision of the Improvement Security based on revised estimated improvement costs, and/or revision of the plans, profiles and specifications used for the construction and installation of the required improvements to comply with the standards and specifications of the BOARD in effect at the time such extension of time is granted.

TWELVE: The SUBDIVIDER further agrees to maintain the aforesaid Improvement and Payment Security in full force and effect, during the term of this contract, including any extensions of time as may be granted thereto.

THIRTEEN: If the SUBDIVIDER neglects, refuses or fails to prosecute the required work with such diligence as to insure its completion within the time specified herein, or within such extension of said time as may have been granted by the City Engineer or by the BOARD, or both, or if the SUBDIVIDER neglects, refuses or fails to perform satisfactorily any of the provisions of the improvement construction permit, plans and profiles, or specifications, or any other act required under this agreement and contract, the BOARD may declare this agreement and contract in default.

Immediately upon a declaration of default, the Subdivider and Surety shall be liable to City for the cost of construction and installation of the public improvements and for costs and reasonable expense and fees, including reasonable attorneys' fees incurred in enforcing this Agreement and Contract.

A notice of default shall be mailed to the SUBDIVIDER and any Surety and the Board shall cause a demand to be made for payment of any negotiable securities held as Improvement Securities in connection with this Agreement and Contract.



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 LOS ANGELES )

On June 26, 2017, before me, J.G. Keefer, a Notary Public, personally appeared William P. West, 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)

