

MODEL HOME AGREEMENT  
Tentative Tract No. 16390

This Agreement is made and entered into this 21st day of June, 2005 by Beazer Homes Holdings Corporation, a Delaware corporation, whose business address is 1100 Town and Country Road, Suite 100, Orange, CA 92868, ("Builder") and the City of Redlands, a municipal corporation ("City").

RECITALS

WHEREAS, Builder is the developer of certain real property for which Tentative Tract No. 16390 has been approved and which is more particularly shown in Exhibit "A," attached hereto and incorporated herein by this reference ("Property"); and

WHEREAS, Builder desires to construct four (4) model homes on the Property prior to the recordation of a final map for Tentative Tract No. 16390; and

WHEREAS, Builder agrees to provide security to assure Builder's performance under this Agreement, in the form of a surety bond from an approved insurance company ("Surety") and in a form acceptable to City;

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged the City of Redlands and Beazer Homes hereby agree as follows:

AGREEMENT

Section 1. Model Homes. Builder may construct four (4) model homes on the Property which shall be used solely for the purpose of display and sale of similar dwelling units to be constructed within Tentative Tract No. 16390. Such model homes shall not be sold or occupied for residential purposes until a final map is recorded creating a separate legal lot for each model home.

Section 2. Builder's Obligations. In the event a final map creating a separate lot for each model home is not recorded by January 1, 2006, Builder shall immediately demolish and remove such model homes including any access paving and parking lots, unless a written extension is granted in writing by City.

Section 3. Security and Surety Consent. The amount of security for the performance of this Agreement is Eighty Thousand Dollars (\$80,000) in the form of a corporate surety bond approved by City. It is understood that by providing security for this Agreement, Surety consents in advance to any written extension of time as may be given by City to Builder and waives notices of such extensions. The making of an application for an extension of time by Builder shall, upon granting of the application by City, constitute a waiver by Builder and by Surety of all defenses of laches, estoppel, statutes of limitation, and other limitations of action in any action or proceeding filed by City within the period of four years immediately following the date to which the time of performance was extended.

#### Section 4. City Remedies.

A. If Builder and Surety fail to demolish and remove the model homes as required by this Agreement, or fail to comply with any other obligation contained herein, they shall be jointly and severally liable to City for any administrative expenses, costs and attorney's fees incurred in obtaining compliance with this Agreement and such expenses, costs and fees incurred in processing any action for damages or for any other remedies permitted by law.

B. Upon default of any obligation hereunder, and at any time after any such default, City may make written demand upon Builder or Surety, or both, to immediately remedy the default or complete the demolition of the model home and removal work. If the remedial activities or completion of work are not commenced within seven days after such demand is made and are not thereafter diligently prosecuted to completion and fully completed within thirty days after the making of such demand (or such other time as may be contained in the demand), City may then complete or arrange for completion of all remaining work or conduct such remedial activity as in the sole judgment of City may be required, all at the full expense and obligation of Builder and Surety and all without the necessity of giving any further notice to Builder or Surety before City performs or arranges for the performance of any remaining work and whether or not Builder or Surety have done any of the required work at the time. In the event City elects to complete or arrange for completion of the remaining demolition and removal work, the Community Development Director, upon such election, may require all work by Builder or Surety to cease in order to permit adequate coordination by City for completing the remaining work.

C. For the purpose of City or its contractor demolishing and removing the model homes and other improvements, Builder hereby grants an irrevocable right of entry to City, its officers, employees, agents and contractors to enter upon the Property and to demolish and remove the model homes and access paving.

Section 5. Compliance with law. It is agreed that all work done pursuant to this Agreement shall conform to the rules and regulations of City at the time work is actually done. Demolition permits shall be obtained prior to the demolition of any model home.

Section 6. Attorneys' Fees. In the event any action is commenced to enforce or interpret the terms or conditions of this Agreement the prevailing party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees.

Section 7. Governing Law. This Agreement shall be governed by and constructed in accordance with the laws of the State of California.

Section 8. Termination of Agreement. Upon recordation of a final map creating a separate lot for each model home this agreement shall automatically terminate without any further action required. At such time the City shall release the bond to the builder and/or surety.

IN WITNESS WHEREOF Builder has caused this Agreement to be executed the day and  
year first written above.

Beazer Homes Holdings Corp.  
a Delaware Corporation

By: 

Darius Fatakia  
Vice President Development  
Southern California Division

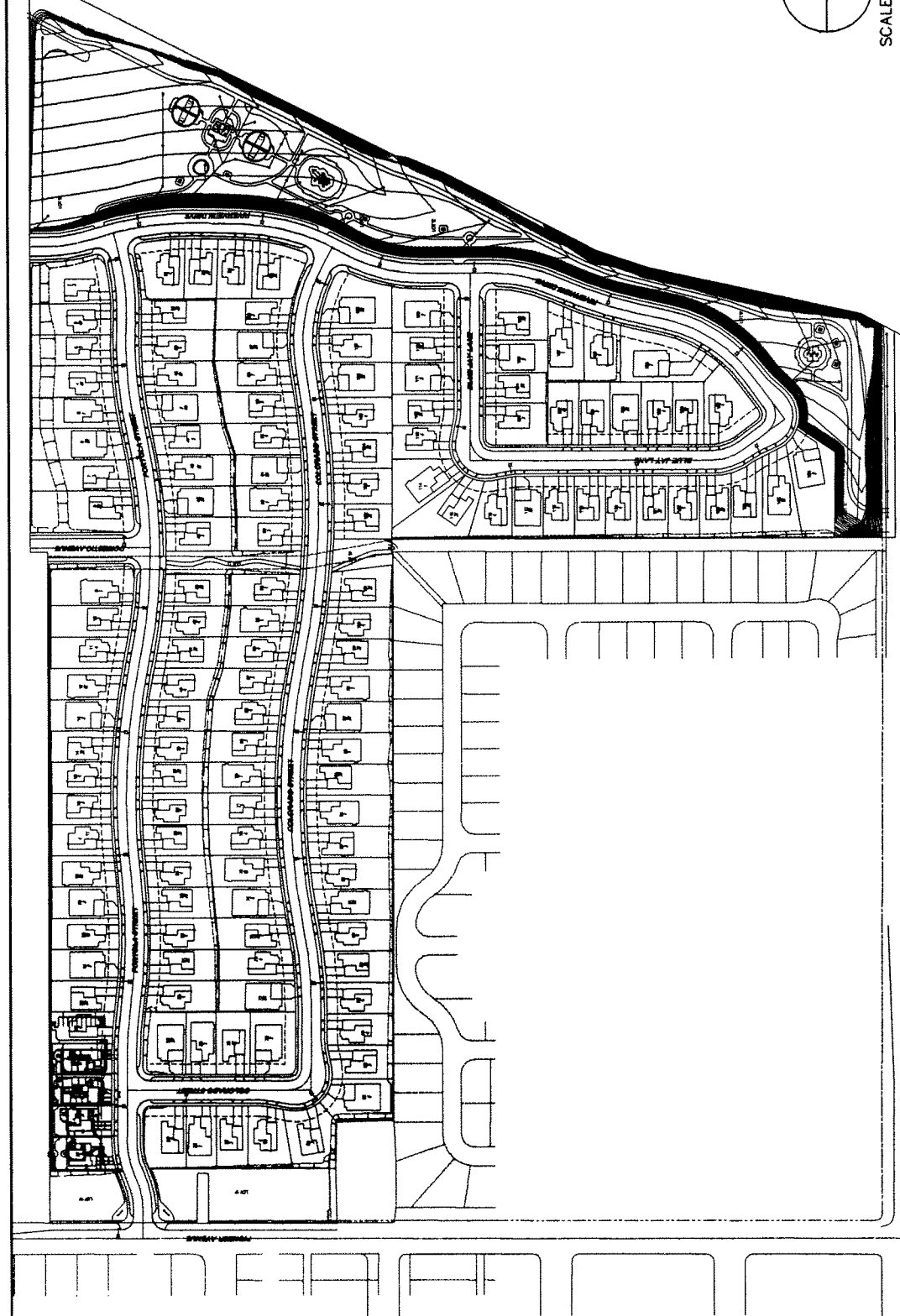
CITY OF REDLANDS

  
Mayor Susan Peppler

Attest:

  
City Clerk Lorrie Poyzer

Date: June 21, 2005



SCALE: 1"=150'

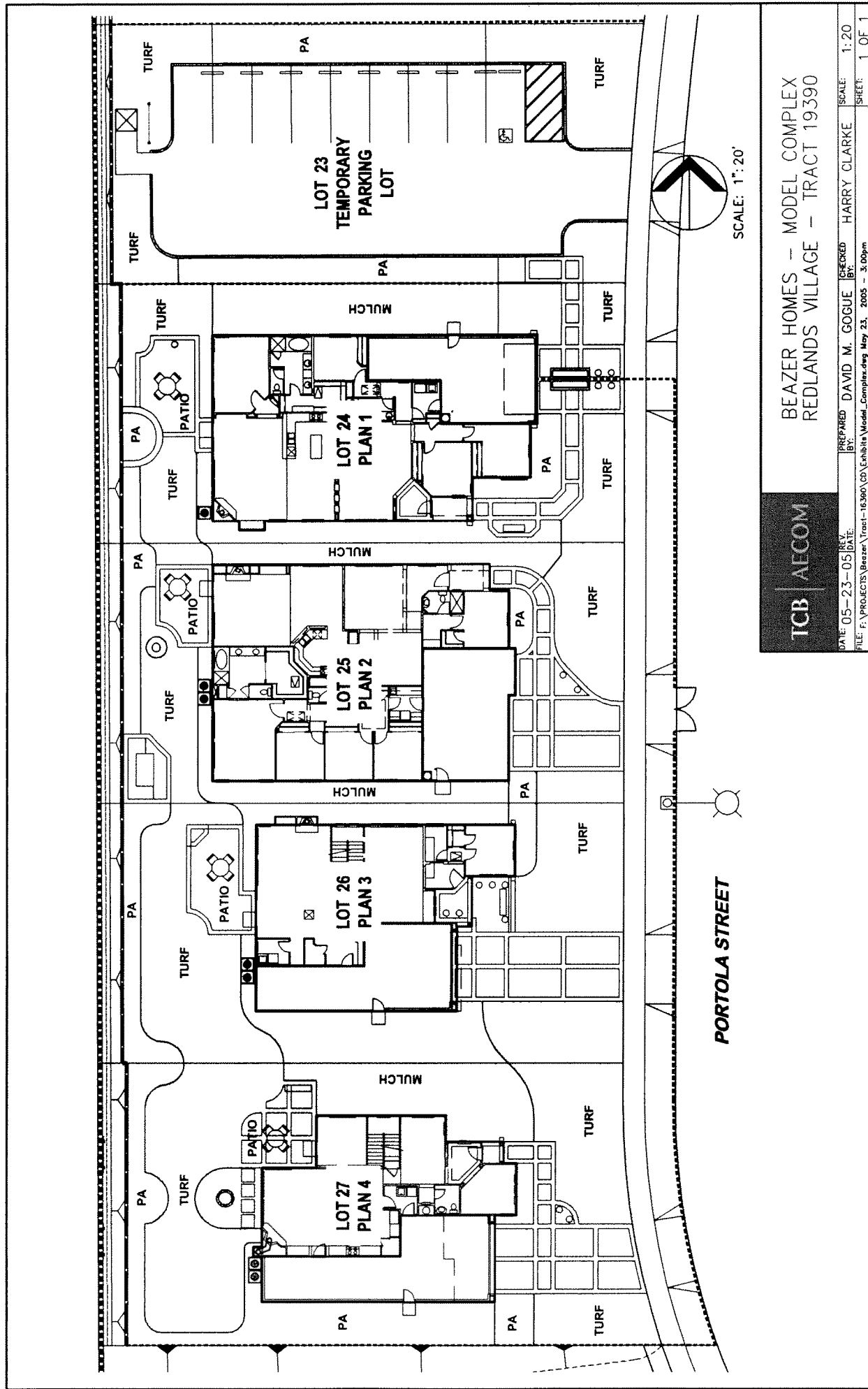
BEAZER HOMES  
REDLANDS VILLAGE -- TRACT 16390  
SITE PLAN

TCB AECOM

DATE: 05-23-05 REV. DATE:

|              |                |             |              |
|--------------|----------------|-------------|--------------|
| PREPARED BY: | DAVID M. GOGUE | CHECKED BY: | HARRY CLARKE |
|--------------|----------------|-------------|--------------|

|        |        |
|--------|--------|
| SCALE: | 1:150  |
| SHEET: | 1 OF 1 |



## FAITHFUL PERFORMANCE BOND

SU5015107

KNOW ALL PEOPLE BY THESE PRESENTS that we, **Beazer Homes Holdings Corp.**, whose place of business is **1100 Town and Country, Suite 100, Orange, CA 92868**, as Principal, and the **Arch Insurance Company, 135 N. Los Robles, #1825, Pasadena, CA 91101**, a corporation organized and doing business under and by virtue of the laws of the State of Missouri, and duly licensed by the State of California for the purpose of making, guaranteeing or becoming sole surety upon bonds of undertakings required or authorized by the laws of the State of California, as Surety, are held and firmly bound unto the City of Redlands, California, in the just and full sum of **Eighty Thousand Dollars (\$80,000)** lawful money of the United States of America for the payment of which, well and truly to be made, we hereby bind ourselves, and each of our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has applied for building permits for three model homes to be located on certain real property for which **Tentative Tract No. 16390** has been approved in accordance with the laws of the City of Redlands and subject to the conditions of approval of the City Council of the City of Redlands; and

WHEREAS, the Principal has executed an Agreement herewith, a copy of which is attached hereto for the purpose of identification only, whereby the Principal promises the City of Redlands to immediately demolish and remove the model homes if a final subdivision map creating a separate lot for each model home is not recorded within the time period specified in said Agreement.

NOW, THEREFORE, if the Principal shall comply with all of the provisions of said Agreement in accordance with the laws of the City of Redlands, then this obligation shall be null and void, and otherwise, to remain in full force and effect.

The Surety and Principal agree that the liability of the Principal, and the Surety upon this bond shall be in effect from the date hereof and remain in effect until completion, to the satisfaction of the City of Redlands of the performance of all of the terms and conditions of said Agreement. Such completion shall be evidenced by a statement thereof, signed by the Community Development Director of the City of Redlands.

The Surety hereby expressly consents to any extension or extensions of time to complete the performance of the terms and conditions of the Agreement as may be granted to the Principal by the City of Redlands, and hereby expressly consents to the waiver of the defenses of statutes of limitation, laches and estoppel in the event said extension or extensions are granted.

The Surety and Principal further agree that in the event performance of the terms and conditions of the Agreement are not completed within the time allowed by the Agreement, or any extension of extensions thereof as may be granted by the City of Redlands, the City of Redlands may, at its option, and in addition to any other remedies available by law, complete or arrange for completion of the performance of the terms and conditions, and all costs and expenses therefore shall

become a debt due and owing the City of Redlands, as set forth in the Agreement.

The Surety, by executing this Faithful Performance Bond, warrants and alleges that it has read the Agreement or by signing this bond shall be deemed to have read the Agreement and knows the contents and all provisions therein contained, and shall be bound by each and every term, condition and provision contained therein.

IN WITNESS WHEREOF, the Principal and the Surety have caused this Faithful Performance Bond to be duly executed this June 2, 2005.

**BEAZER HOMES HOLDINGS CORP.**

By: 

**Darius Fatakia, P.E.  
Vice President-Development  
Southern California Division**

**ARCH INSURANCE COMPANY**

Surety

By:   
Peggy Faust, Attorney-In-Fact

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT**

State of California }  
County of Orange } ss.

On June 6, 2005 before me, Tricsha Villalta, Notary Public, personally  
appeared Darius Fatakia,

☒ personally known to me

☐ proved to me on the basis of satisfactory  
Evidence



to be the person(s) whose name(s) is/are subscribed to the to the  
with in 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.

Tricsha Villalta

Optional

*Though the information below is not required by law, it may prove valuable to prepare 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: \_\_\_\_\_

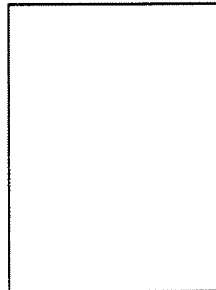
Signer(s) Other than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer**

Signer's Name: \_\_\_\_\_

- ☐ Individual  
☐ Corporate Officer- Title Above: \_\_\_\_\_  
☐ Partner- ☐ Limited ☐ General  
☐ Attorney-in-Fact  
☐ Trustee  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Right Thumbprint  
of signer



Signer Is Representing: Beazer Homes Holdings Corp.

RESOLUTION NO. BHHC- 2005-09

BEAZER HOMES HOLDINGS CORP.

APPOINTMENT OF OFFICER

*Effective Date: April 15, 2005*

The undersigned, being the President and Chief Executive Officer of Beazer Homes USA, Inc., and a director of Beazer Homes Holdings Corp. ("CEO"), pursuant to Resolution No. BHHC-2001-03, dated February 1, 2001, wherein the Board of Directors of Beazer Homes Holdings Corp., a Delaware corporation (the "Corporation") at its annual meeting did grant the CEO the power and authority to appoint and remove officers of the Corporation, and pursuant to Resolution No. 2001-09 effective as of August 2, 2001, wherein the Board of Directors of the Corporation by Written Unanimous Consent did create new officer titles of the Corporation, does hereby take the following action and directs the Secretary to file this Resolution with the minutes of the proceedings of the Board of Directors.

The following individuals are hereby appointed to serve as officers of the Corporation until the earlier of resignation or termination of his/her employment with the Corporation or termination of his/her position as an officer by the Board of Directors of the Corporation or the CEO.

**ORANGE DIVISON**

| <b><u>Name</u></b> | <b><u>Title</u></b> | <b><u>Annex</u></b> |
|--------------------|---------------------|---------------------|
| Darius R. Fatakia  | VP of Development   | A                   |

The said individual shall have the powers and duties set forth on the individual Annexes which are attached hereto and made a part hereof of this Resolution.

The CEO hereby ratifies, confirms and declares that any act or thing heretofore done by the said officer within the scope of this appointment shall be binding on the Corporation.

IN WITNESS WHEREOF, the undersigned has set his hand March 15, 2005.

A handwritten signature in black ink, appearing to read 'Ian J. Mc Carthy', is written over a horizontal line.

IAN J. MC CARTHY

ANNEX A  
OFFICER APPOINTMENT  
DARIUS R. FATAKIA  
VP OF DEVELOPMENT, ORANGE DIVISION OFFICE

LAND DEVELOPMENT MANAGER  
Job Code: 112101

The CEO hereby designates **Darius R. Fatakia** who is employed as an Land Development Manager of the Corporation as an authorized agent and signatory of the Corporation for the purpose of executing the following documents with respect to the Orange Division:

*All construction and development agreements, plats, CCRS, utility easements, rights of way, non-binding LOIs, all permit, permit based reporting and permit terminations and all bond applications for off-site and site development*

*Any other land development documents for the division as authorized by the division president or the senior division financial officer*

**CERTIFICATE OF THE SECRETARY  
OF  
BEAZER HOMES HOLDINGS CORP.**

The undersigned Secretary of Beazer Homes Holdings Corp, a Delaware Corporation, (the "Corporation") hereby certifies:

That the Board of Directors of the Corporation, at its annual meeting on February 1, 2001, approved Resolution No. BHHC-2001-03 and did grant Ian J. McCarthy, as the President and Chief Executive Officer of Beazer Homes USA, Inc., and a director of Beazer Homes Holdings Corp. ("CEO"), the power and authority to appoint and remove officers of the Corporation.

That the Board of Directors of the Corporation did approve Resolution No. BHHC-2001-09A, dated August 2, 2001 and did grant Ian J. McCarthy, as the President and Chief Executive Officer of Beazer Homes USA, Inc., and a Director of Beazer Homes Holdings Corp. ("CEO"), the power to authorize any person or persons in the name and on behalf of the Corporation to enter into or execute and deliver any and all deeds, bonds, mortgages, contracts or other obligations or instruments, and such authority may be general or confined to specific instances.

I further certify that Resolution No. BHC-2001-03, attached as Exhibit A, and Resolution No. BHHC-2001-09A, attached as Exhibit B, were duly adopted by the Board of Directors of the Corporation in conformity with its Articles of Incorporation and Bylaws and in accordance with the laws of the State of Delaware by Written Consent of the Board of Directors, and further, that the Resolutions have not been altered, amended, modified, rescinded or repealed in any way and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have hereunto signed my name effective as of the 30th day of January, 2003.



Teresa R. Dietz  
Secretary

**EXHIBIT A**  
**Copy of Resolution BHHC-2001-03**

RESOLUTION NO. BHHC - 2001- 09A

CONSENT IN LIEU OF MEETING  
OF THE BOARD OF DIRECTORS OF  
BEAZER HOMES HOLDINGS CORP.

CREATION OF ADDITIONAL OFFICES AND  
DESIGNATION OF SIGNATORY

The undersigned, constituting the entire Board of Directors of Beazer Homes Holdings Corp. (the "Company"), pursuant to the corporation laws of the State of Delaware, do hereby agree and consent to the following actions with the same force and effect as if said actions had been taken at a duly called and held meeting of the Board of Directors and direct that this written consent be filed with the minutes of the proceedings of the Board of Directors.

**RESOLVED**, in accordance with Article IV, Section 1 of the Bylaws of the Corporation, the Board of Directors may appoint such other officers (including any assistant officers) as the Board of Directors may from time to time deem proper. Therefore, the Board of Directors does hereby create the following additional offices of the Corporation, and individual appointments to these positions are to be evidenced by a certificate of appointment executed by the CEO under Resolution No. BHHC-2001-03:

Regional President  
Sr. Division President  
Division President  
Division Executive Vice President  
Division Senior Vice President  
Division Vice President  
Division Controller

Such officers shall have the following authority granted to a Vice President by the Bylaws of Corporation in Article IV(4)(c), except to the extent that the CEO shall assign additional duties or impose limitations on such authority as he may see fit from time to time. In addition, such officers shall have the authority to affix the seal of the Corporation to any instrument requiring it and when so affixed, may attest the signature of any other officer.

Division Assistant Secretary

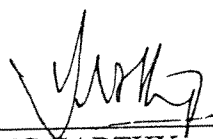
Such officer shall have the authority to attest to the signature of other officers of the Corporation, to have custody of the Corporate Seal, and to affix it to any instrument requiring it. The Division Assistant Secretary may also execute secretarial certificates

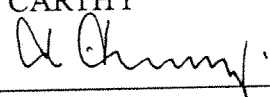
from time to time, but only under the direction of, and with the permission of, the Corporate Secretary or Corporate Assistant Secretary.

**RESOLVED** that pursuant to Article V, Section 1 of the Bylaws of the Corporation, the Board of Directors may authorize any person or persons in the name and on behalf of the Corporation to enter into or execute and deliver any and all deeds, bonds, mortgages, contracts or other obligations or instruments, and such authority may be general or confined to specific instances. Therefore, the Board of Directors hereby appoints IAN J. McCARTHY, President and Chief Executive Officer of Beazer Homes USA, Inc., and a director of the Corporation (the "CEO"), or his designee(s), as the principal signatory or signatories to execute any and all documents or instruments of obligations on behalf of the Corporation, and further, the Board of Directors delegates to IAN J. McCARTHY the power and authority to issue a Designation of Authority or a Power of Attorney to any employee of the Corporation who is not an officer pursuant to the Bylaws of the Corporation, for the purpose of executing specific documents or instruments of obligation in the name of and on behalf of the Corporation.

**RESOLVED**, that this Resolution No. BHHC-2001-09 shall remain in effect until revoked in writing by a majority of the Directors of the Corporation.

**IN WITNESS WHEREOF**, the undersigned have set their hands and seals effective this 2nd day of August, 2001

  
\_\_\_\_\_  
IAN J. MC CARTHY

  
\_\_\_\_\_  
BRIAN C. BEAZER

CERTIFIED  
COPY

RESOLUTION NO. BHHC-2001-03

UNANIMOUS WRITTEN CONSENT IN LIEU OF A MEETING OF  
THE BOARD OF DIRECTORS OF  
BEAZER HOMES HOLDINGS CORP.

DELEGATION OF AUTHORITY

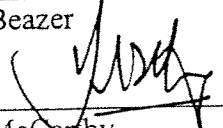
The undersigned, being all the directors of Beazer Homes Holdings Corp., a Delaware corporation, do hereby unanimously consent to the adoption of the following resolution of the Board of Directors and direct the Secretary of the Corporation to file this consent with the minutes of the proceedings of the Board of Directors.

**RESOLVED**, in accordance with Article IV, Section 1 of the Bylaws of the Corporation, the Board of Directors does hereby authorize and delegate to IAN J. McCARTHY, President and Chief Executive Officer of Beazer Homes USA, Inc., and a director of the Corporation (the "CEO") the power and authority to appoint and remove from time to time Vice Presidents (including Executive Vice Presidents and Senior Vice Presidents), Assistant Vice Presidents, Assistant Treasurers and Assistant Secretaries of the Corporation and to specify the limits of their duties and authority. Such officers shall have the authority granted to such officers by the Bylaws of Corporation in Article IV(4), except to the extent that the CEO shall assign additional duties or impose limitations on such authority as he may see fit from time to time.

**RESOLVED**, that this Resolution No. BHHC-2001-03 shall remain in effect until revoked in writing by a majority of the Directors of the Corporation or until Mr. McCarthy ceases to be an officer of Beazer Homes USA, Inc. and may not be further delegated by the CEO to any other person without further authorization of the Board of Directors of the Corporation.

IN WITNESS WHEREOF, we have affixed our hands this 1 day of February, 2001.

THE DIRECTORS OF BEAZER HOMES  
HOLDINGS CORP.

  
\_\_\_\_\_  
Brian Beazer  
  
\_\_\_\_\_  
Ian J. McCarthy

**EXHIBIT B**  
**Copy of Resolution BHHC-2001-09A**

# 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

Peggy Faust, Bonnie Kruse, Dawn Morgan, Jennifer J. McComb, Melissa Kotoysky, Kelly A. Jacobs, Stephen T. Kazmer, James I. Moore, Elaine Marcus, Mary Beth Peterson of Countryside, IL (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.

## ACKNOWLEDGMENT OF SURETY

STATE OF ILLINOIS       }  
                                      } S.S.  
COUNTY OF DU PAGE    }

On June 2, 2005, before me, a Notary Public in and for said County and State, residing therein, duly commissioned and sworn, personally appeared ***Peggy Faust***, known to me to be Attorney-in-Fact of Arch Insurance Company, the corporation described in and that executed the within and foregoing instrument, and known to me to be the person who executed the said instrument on behalf of the said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year stated in this certificate above.

My Commission Expires on November 29, 2008

  
Notary Public

