



May 5, 2004

Mr. Douglas Headrick, P.E.
Chief of Water Resources
City of Redlands,
Municipal Utilities Department
P.O. Box 3005
Redlands, CA 92373

RE: 1st Amendment to Purchase Agreement for City Property

Dear Doug:

This letter is written in reference to that certain Purchase Agreement made and entered into by and between the City of Redlands, a municipal corporation ("City") and Standard Pacific Corp. ("SPH") as of May 20, 2003, for the property generally known as the City property on San Bernardino Avenue ("Agreement").

Buyer hereby proposes to amend the Agreement as follows:

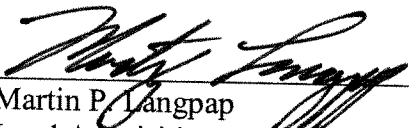
1. Buyer shall have the right to an additional 4 month extension of the closing date (the "Third Extension"). The Third Extension would extend the close of escrow to December 29, 2004. In order to exercise the Third Extension, Buyer shall deposit with escrow holder \$16,800, which will be immediately released to Seller, non-applicable to the Purchase Price, and non-refundable. Buyer shall deliver such payment on or before August 29, 2004.

Please sign this letter in the space provided to indicate your acceptance of the foregoing amendment and return a copy of the fully executed letter to me. Thank you for your consideration.

(Signatures on following page)

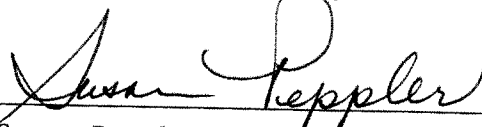
Mr. Douglas Headrick,
January 14, 2004
Page 2 of 2

Sincerely,
Standard Pacific of the Inland Empire,
a division of Standard Pacific Corp.,
a Delaware corporation



Martin P. Langpap
Land Acquisition Manager

Approved and Accepted by Seller:

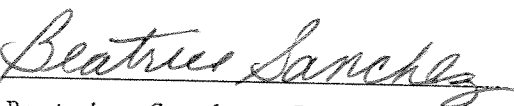


Susan Peppler, Mayor

May 18, 2004

Date

Attest:



Beatrice Sanchez, Deputy City Clerk