



STANDARD PACIFIC HOMES

December 8, 2004

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

RE: 2nd 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, as amended by that certain amendment dated May 5, 2004 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 extend the close of escrow to March 31, 2005 ("Fourth Extension"). As consideration for the Fourth Extension, the Purchase Price shall be increased by Fifty Thousand Dollars (\$50,000) to Five Hundred and Sixty Thousand Two Hundred and Seventy Two Dollars and Fifty Cents (\$560,272.50) and Buyer shall deposit with escrow Ten Thousand Dollars (\$10,000) which shall be immediately released to Seller, non-applicable to the Purchase and non-refundable. Additionally, Buyer shall have the right to extend the close of Escrow for two consecutive calendar months ("Fifth Extension" and "Sixth Extension"). Should Buyer elect to exercise either the Fifth Extension or Sixth Extension, Buyer shall deposit with the escrow holder Six Thousand Dollars (\$6,000) per extension, which shall immediately released to Seller, non-applicable to the Purchase Price and non-refundable when made.

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.

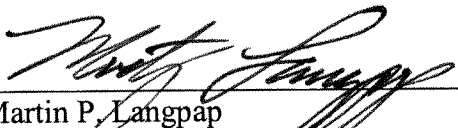
(Signatures on following page)

Inland Empire Division

255 East Rincon Street, Suite 200 • Corona, CA 92879-1330
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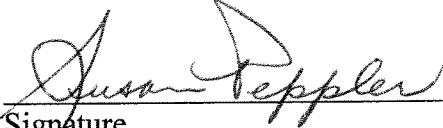
Mr. Douglas Headrick,
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Sincerely,
Standard Pacific of the Inland Empire,
a division of Standard Pacific Corp.,
a Delaware corporation



Martin P. Langpap
Land Acquisition Manager

Approved and Accepted by Seller:



Signature

Susan Peppler

Printed Name

Mayor, City of Redlands

Title

December 21, 2004

Date

Attest:



Lorrie Poyzer, City Clerk