

AMENDMENT TO UNDERTAKING AGREEMENT

(SUBDIVISION IMPROVEMENTS)

TRACT NO. 53102-02

THIS AMENDMENT made this _____ day of _____, 20____ by and between the City of Lancaster, (the "City") and Magnolia, LP, (the Subdivider").

RECITALS

A. The City approved Tentative Map No. 49526 on August 13, 1990 (the "Tentative Map"), subject to certain conditions of approval set forth in Resolution No. 90-88, which conditions include construction of certain public improvements as set forth hereinbelow.

B. The City and Subdivider entered into that certain Undertaking Agreement dated April 14, 2009 ("Agreement").

C. The Agreement requires Subdivider to complete all Work required thereunder on or before April 14, 2010 ("Completion Date").

D. Subdivider desires to extend the Completion Date.

E. City desires to impose additional conditions on the Map.

F. This Agreement is executed pursuant to the provisions of the Subdivision Map Act of the State of California and applicable City ordinances.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and of the approval of the Map and of the acceptance of the dedications therein offered, and in order to insure satisfactory performance by the Subdivider of Subdivider's obligations under said Subdivision Map Act and said ordinance, the parties agree as follows:

1. Performance of Work.

Section 1 of the Agreement is amended and restated to read as follows:

"Subdivider, at its sole cost and expense, will improve Tract No. 53102-02 by the grading and paving of streets, construction of curbs and gutters, crossgutters and sidewalks, installation of drainage and sanitary sewerage facilities, provision of an underground utility and street lighting system, installation of street signs, parkway trees, a water system and all related facilities, and such other improvements required by the ordinances of the City and/or the City Council in the approval of said Tract, together with appurtenances, contingencies and engineering costs and as more particularly shown in the improvement plans for contingencies and engineering costs and as more particularly shown in the improvement plans for said Tract as well as all improvements identified in the "Attachment to PC Resolution No. 90-88, Tentative Tract Map No. 49526 Conditions List (Revised)" dated August 13, 1990, and attached hereto as Exhibit "A" (the "Improvements"). Subdivider will do all work and furnish all materials necessary, in the opinion of the City Engineer, to complete said Improvements in accordance with the plans and specifications on file in the office of the City Engineer or with any changes or modifications required or ordered by the City Engineer

which, in his opinion, are necessary or required to complete the Improvements (the "Work"). Subdivider shall maintain the Improvements and adjacent public facilities clear of all debris, weeds, and other materials which inhibit the performance of the Improvements or become a public nuisance. Should the Subdivider fail to act promptly in accordance with this requirement the City may, at its option, perform the necessary work and the Subdivider shall pay to the City the actual cost of such maintenance plus fifteen (15) percent.

2. Extension of Term.

Section 18 of the Agreement is amended and restated to provide as follows:

"Subdivider shall complete all of said Work on or before _____, or within such further time as may be granted by the City Council."

3. Agreement Remains in Effect.

Except as expressly revised herein, the terms, conditions and requirements set forth in the Agreement shall remain in full force and effect. Any terms not defined in this Amendment shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

APPROVED:

CITY OF LANCASTER

By: City Engineer

SUBDIVIDER



(Signature)

President

(Office Held)
Pacthome, LLC
Pacific Communities Builder, Inc.
Partnership or Corporation represented, if applicable

APPROVED AS TO FORM:

By: City Attorney

ALL SIGNATURES MUST BE ACKNOWLEDGED BY NOTARY

ACKNOWLEDGMENT

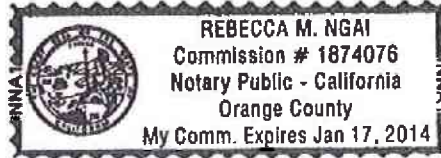
State of California
County of Orange

On February 18, 2011 before me, Rebecca M Ngai, a notary public
(insert name and title of the officer)

personally appeared NELSON CHUNG,
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 *R. Ngai*

(Seal)

EXHIBIT "A"

RESOLUTION NO. 90-88

EXHIBIT "A"

- I. THE PLANNING COMMISSION, BASED UPON THE FINAL ENVIRONMENTAL IMPACT REPORT, HEREBY FINDS, EXCEPT AS OTHERWISE STATED IN SECTIONS II AND III OF THIS EXHIBIT, THAT THE PROPOSED GENERAL PLAN AMENDMENT WILL NOT:
 - A. Have a significant land use impact, because the proposal will conflict with no existing land uses or proposed future land uses in the project vicinity. The proposed project will be consistent with the emerging growth pattern in western Lancaster.
 - B. Have a significant effect on landforms, geology, soils, or seismicity or be significantly affected by them, because the site is relatively level and cut and fill operations will be minimal, and because the following mitigation measures shall be required of the project:
 - #1. All foundations and earthworks of the proposed development shall be constructed and designed in conformance with the City building and grading requirements and in accordance with recommendations of a site-specific geotechnical investigation.
 - #2. Prior to issuance of building permits, a geotechnical study conducted by a registered geotechnical engineer shall be submitted to the City for each project site to identify and recommend measures for potential hydrocompaction (collapsible soils), settlement, and loss of foundation support.
 - #3. Grading shall be limited to dry months and graded slopes and exposed soils shall be revegetated and irrigated as soon as possible to minimize problems associated with sediment transport during construction or adequate erosion control devices shall be installed during the rainy season to halt sediment erosion.

- #4. Prior to issuance of a building permit, a landscape plan shall be prepared for each project site subject to the approval of the City. The landscape plan shall provide that graded areas including slopes be revegetated as soon as possible using native or low water-using plants and an irrigation system to minimize the length of time soils lie exposed and the potential for erosion.
 - #5. As required by the city of Lancaster for any graded area 5 acres or larger, a sprinkler system shall be installed for the control of dust.
 - #6. Prior to design and construction of the proposed project, an engineering geologist or geotechnical engineer shall evaluate the potential groundshaking at each site to determine the necessary design parameters for structures. Minimum design parameters shall meet or exceed the Uniform Building Code Zone 4 requirements.
- C. Be significantly affected by flooding or drainage, or significantly affect downstream properties because the following mitigation measures shall be required of the project:
- #7. During project construction, erosion control measures shall be implemented to prevent erosion of exposed soils during periods of heavy rainfall. Soil erosion on graded slopes shall be minimized by replanting with vegetation. During the interim period before ground cover takes hold, straw, wood chips, and plastic (Visqueen) shall be used as stabilizing agents.
 - #8. The applicants shall construct adequate street and storm drain facilities to collect and convey storm water generated onsite to available flood control facilities.
 - #9. The applicants shall pay the appropriate drainage fees to the City Public Works Department.

- #10. The U.S. Air Force has indicated that successful operation of the Edwards Air Force Base (EAFB) on the dry lake beds of the Antelope Valley is extremely sensitive to changes in runoff due to upstream development. Consistent debris loads and cyclic flooding keep the lake beds useful for aviation purposes. In response, the Los Angeles County Department of Public Works has recommended that all large-scale urban development in the Antelope Valley provide on-site retention or detention basins to mitigate the increased runoff volume, at least until regional retention basins can be constructed as Master Plan ultimate improvements. Accordingly, the applicant shall construct on-site detention basins or contribute toward off-site regional detention basins. Detention basins in the Antelope Valley shall be designed to absorb the peak flow volume of the 24-hour, 50-year capital storm per the LACFCD Hydrology Manual. A single detention basin may be constructed to provide mitigation for the four project sites.
- #11. Since the majority of streets at the site will be of less than 0.5 percent slope, the streets alone may not be able to convey most of the storm runoff to the proposed channels. Therefore, numerous on-site catch basins shall be constructed as necessary to collect runoff into the subsurface pipe systems which convey runoff to either a channel or on-site detention basin. The storm drain system shall be designed to convey the 50-year peak runoff rates per the LACFCD Hydrology Manual.
- #12. Prior to issuance of a building permit, plans demonstrating the protection of all structures against a 100-year flood shall be submitted to the City Public Works Department.
- #13. At least one route of ingress and egress to the project site shall be available during a 100-year flood.

- D. Have a significant effect on groundwater resources, because the following mitigation measures shall be required of the project:
- ✓ #14. On-site or off-site detention/retention basins shall be constructed, as recommended in #11, to allow recharge to the groundwater basin.
 - #15. The project shall be designed to minimize the amount of on-site impervious surface to allow water percolation and groundwater recharge.
 - #16. Sewage and other wastes generated by the project shall be treated and/or properly disposed of to avoid contamination of the groundwater.
- E. Have a significant effect on cultural/archaeological resources, because an on-site field survey revealed no in-situ cultural resources and none are likely to exist below the surfaces of the areas surveyed.
- F. Have a significant effect on traffic circulation in the vicinity of the site, because the following mitigation measures shall be required of the project.
- #17. Any street improvements constructed in conjunction with the project shall be completed to their ultimate width as determined by the city. Off-site and on-site improvements shall be constructed in accordance with City standards and design criteria, subject to review and approval at the time of submittal of final street improvement plans to the City.
 - #18. Any striping or raised medians shall be installed in their ultimate configuration. Left-turn lanes shall be positioned in their

ultimate location with respect to the roadway centerline. All appropriate intersection approach and departure widening shall have suitable taper lengths in accordance with city design standards.

#19. The project applicants shall pay a fair share portion of widening the following segments of each street, as determined appropriate by the City.

-- Avenue J and K between 30th Street West and 40th Street West shall be widened to accommodate two through lanes in each direction (required for existing plus project traffic).

-- Avenue J, L, and K between 30th Street West and 60th Street West shall be widened to accommodate two through lanes in each direction with the exception of Avenue L between 30th Street West and 40th Street West, where three through lanes in each direction are needed (required for existing plus future background plus project traffic).

-- 50th Street West between Avenue J to L shall be widened to accommodate two through lanes in each direction (required for existing plus future background plus project traffic).

#20. The project applicants shall pay a fair share portion (determined by the City) for traffic signals that shall be installed at the following intersections:

-- Avenue J/40th Street West (required for existing plus project traffic)

-- Avenue K/45th Street West (required for existing plus project traffic)

- Avenue K/50th Street West (required for existing plus project traffic)
- Avenue J/45th Street West (required for existing plus future background traffic plus project traffic)
- Avenue J/50th Street West (required for existing plus future background traffic plus project traffic)

#21. The applicants shall pay a fair portion of improving the following intersections:

- Avenue J and 40th Street West (required for existing-plus-project traffic)
 - o Westbound: one through/left-turn lane and one through/right-turn lane
 - o Eastbound: one through/left-turn lane and one through/right-turn lane
 - o Northbound: one through/left-turn lane and one through/right-turn lane
 - o Southbound: one through/left-turn lane and one through/right-turn lane
- Avenue K and 45th Street West (required for existing-plus-project traffic)
 - o Westbound: one through/left-turn lane and one through/right-turn lane

- o Eastbound: one through/left-turn lane and one through/right-turn lane
 - o Northbound: one through/left-turn lane and one through/right-turn lane
 - o Southbound: one through/left-turn lane and one through/right-turn lane
- Avenue K and 50th Street West (required for existing-plus-project traffic)
- o Westbound: one through/left-turn lane and one through/right-turn lane
 - o Eastbound: one through/left-turn lane and one through/right-turn lane
 - o Northbound: one through/left-turn lane and one through/right-turn lane
 - o Southbound: one through/left-turn lane and one through/right-turn lane
- Avenue L and 40th Street West (required for existing-plus-future background-plus-project traffic)
- o Westbound: one through/left-turn lane and one through-right-turn lane
 - o Eastbound: one through/left-turn lane and one through/right-turn lane

- o Northbound: one through/left-turn lane and one through/right-turn lane
- o Southbound: one through/left-turn lane and one through/right-turn lane
- Avenue J and 45th Street West (required for existing-plus-future background-plus-project traffic)
 - o Westbound: one through/left-turn lane and one through/right-turn lane
 - o Eastbound: one through/left-turn lane and one through/right-turn lane
 - o Northbound: one through/left-turn lane and one through/right-turn lane
 - o Southbound: one through/left-turn lane and one through/right-turn lane
- Avenue J and 50th Street West (required for existing-plus-future background-plus-project traffic)
 - o Westbound: one through/left-turn lane and one through/right-turn lane
 - o Eastbound: one through/left-turn lane and one through/right-turn lane
 - o Northbound: one through/left-turn lane and one through/right-turn lane

- o Southbound: one through/left-turn lane and one through/right-turn lane
- Avenue K and 45th Street West (required for existing-plus-future background-plus-project traffic)
 - o Westbound: one left-turn lane, one through lane, and one through/right-turn lane
 - o Eastbound: one left-turn lane, one through lane, and one through/right-turn lane
 - o Northbound: one left-turn lane, one through lane, and one through/right-turn lane
 - o Southbound: one left-turn lane, one through lane, and one through/right-turn lane
- Avenue K and 50th Street West (required for existing-plus-future background-plus-project traffic)
 - o Westbound: one left-turn lane, one through lane, and one through/right-turn lane
 - o Eastbound: one left-turn lane, one through lane, and one through/right-turn lane
 - o Northbound: one left-turn lane, one through lane, and one through/right-turn lane
 - o Southbound: one left-turn lane, one through lane, and one through/right-turn lane

G. Create a significant increase in noise in the vicinity of the site, or be significantly affected by future potential noise, because the City will require noise reduction measures (walls, landscaping, etc.) for new residential development along Avenue J, Avenue K, 40th Street West, and 50th Street West, and because the following mitigation measures will be required of the project:

#22. Project construction activities shall comply with applicable City ordinance restrictions. Construction activities shall be limited to between 7:00 a.m. and 8:00 p.m., Monday through Saturday.

#23. Prior to issuance of building permits, the applicants shall submit evidence, to the satisfaction of the City, that all project land uses will meet applicable exterior and interior noise standards. All proposed residential areas adjacent to major arterials (Avenues J and K and 40th and 50th Streets West) shall be adequately buffered from roadway traffic noise by the construction of noise walls where appropriate, in accordance with applicable City standards. If determined necessary by the City, the applicants may be required to prepare a detailed acoustical assessment indicating mitigation measures necessary to achieve acceptable on-site exterior and interior noise levels to the satisfaction of the City.

H. Have a significant effect on police and fire protection services, because the following mitigation measures will be required:

Police Protection

#24. The project shall be designed to provide adequate emergency access and internal circulation.

- #25. The project shall be designed with attention to the provision of "defensible space" (e.g., provide low-profile landscaping that allows a clear view of entrances and exits from adjacent streets and does not conceal potential criminal activity around buildings and in parking areas) to facilitate crime prevention and law enforcement efforts.
- #26. The project shall provide proper address signs for easy identification of locations during emergencies.

Fire Protection

- #27. The project should be designed to provide adequate emergency access and internal circulation.
- #28. The project applicants shall be required to establish or participate in a new capital improvement agreement to fund and construct the project's share of water system improvements.
- #29. Specific fire and life safety requirements during the project construction phases shall be addressed at the plan check stage, prior to issuance of building permits.
- #30. The project shall comply with all applicable code and ordinance requirements for construction, access, water mains, fire flow, and fire hydrants. Sprinkler systems shall be required for the commercial structures, and are recommended by the County Fire Department for residences, depending on the proximity of fire hydrants.
- #31. Prior to project construction, the County Fire Department shall determine the appropriate locations of fire hydrants to be installed by the project applicants.

#32. The following fire flow to the project sites shall be required:
Fire flow of up to 1,250 gallons/minute at 20 psi residual pressure for a 2-hour duration for residential uses and 2,000 to 5,000 gallons/minute at 20 psi for a 2 to 5-hour duration for commercial uses.

- I. Have a significant effect on public services (water, wastewater, solid waste, parks and recreation, libraries, and health services), because adequate capacity exists or can be provided for these services, and because the following mitigation measures will be required:

Water

- #33. The project applicants (GPA 88-17, -30, -37, and -51) shall establish or participate in a new Waterworks District 4 capital improvement agreement to fund and construct the project's share of necessary off-site water service facilities. Participation in this agreement shall be in accordance with the requirements of Los Angeles County Waterworks District 4, the City of Lancaster, and the Los Angeles County Fire Department.
- #34. The project applicants (GPA 88-27 and -31) shall upgrade and extend off-site Quartz Hill Water District water lines to serve the project sites in accordance with the requirements of Quartz Hill Water District, the City of Lancaster, and the Los Angeles County Fire Department.
- #35. The project shall provide on-site water system facilities for domestic water service and fire flow demand as required by the City of Lancaster, Los Angeles County Waterworks District 4, and the Los Angeles County Fire Department.

- #36. The water mitigation measures listed under mitigation measure #43 of the Final Environmental Impact Report are hereby adopted by reference as part of this exhibit.

Wastewater

- #37. In accordance with City requirements, the project applicants shall provide adequate secondary and lateral sewer facilities to serve the project site or extend trunk lines to serve the project sites in accordance with Los Angeles County Sanitation District 14.
- #38. The County Sanitation District is empowered by the California Health and Safety Code to charge a fee for connecting to the District's wastewater collection system. This connection fee is required to construct an incremental expansion of the wastewater collection and treatment system, as necessary, to accommodate the proposed project. Payment of the connection fee will be required before the project is allowed to be connected to the wastewater collection system.
- #39. Prior to connection of sites GPA 88-27 and 88-31 to the Sanitation District system, the project applicants shall submit for processing a "Request for Annexation" along with appropriate fees for the properties, which are currently outside the District boundaries.

Solid Waste

- #40. To encourage on-site recycling, the project applicants shall provide areas onsite for the collection of recyclable materials and contract with a local recycling service to transport the materials offsite to processing centers.

Parks and Recreation

#41. The applicant shall dedicate parkland acreage or pay an in-lieu fee per residential unit in accordance with applicable City requirements.

- J. Have a significant effect on public utilities (electricity, natural gas, and telephone) because adequate capacity exists or can be provided for these utilities, and because the following mitigation measures will be required:

Electricity

#42. In accordance with Southern California Edison standards, the project applicant shall provide adequate electrical service to the proposed development. Construction and service connection activities shall conform with Southern California Edison standards to minimize short-term impacts.

Natural Gas

#43. In accordance with Southern California Gas Company standards, the project applicant shall provide adequate gas service to the project sites. Extension of gas lines shall conform with Southern California Gas Company standards to minimize short-term impacts.

Telephone

#44. In accordance with General Telephone Company standards, the applicant shall provide proper telephone service to future project tenants and residents.

II. THE PLANNING COMMISSION, BASED UPON THE FINAL ENVIRONMENTAL IMPACT REPORT, HEREBY FINDS THAT THE PROPOSED GENERAL PLAN AMENDMENTS MAY HAVE THE FOLLOWING UNAVOIDABLE ADVERSE IMPACTS, WHICH WILL REMAIN EVEN AFTER IMPLEMENTATION OF THE IDENTIFIED MITIGATION MEASURES, BUT WHICH ARE CONSIDERED TO BE ACCEPTABLE BECAUSE OF THE NOTED OVERRIDING CONSIDERATIONS PURSUANT TO SECTION 15093 OF THE STATE CEQA GUIDELINES:

- A. Development of the project (GPA 88-27 and 88-31) would destroy approximately 70 acres of existing joshua tree and juniper woodland habitat. The result would be significant adverse biological resource impacts that cannot be mitigated. Although this issue is significant for the proposed project and cannot be avoided, the solution to the rapid decline of this sensitive habitat type within the entire city sphere of influence should be addressed on a comprehensive basis. The EIR recommends such a study be conducted in conjunction with the update of the City's General Plan. The only project alternative that would avoid these impacts is the "no development" alternative, which is not considered acceptable because it would not provide commercial or housing opportunities consistent with regional and local growth projections.
- B. Development of the project will result in dust levels and emissions from construction activities, which would cause inconvenience and nuisance impacts for nearby residents, and completion of the project will result in increased air pollutant emissions from increased vehicle travel. However, the construction-related impacts are considered acceptable because they are short-term in nature and do not pose health hazards. The growth associated with the project is consistent with regional growth projections and regional air pollution regulations provide for future implementation of stronger controls on a wide variety of sources to reduce regional emissions associated with such growth. As a general air pollution mitigation measure, vehicular emissions in the South Coast and Southeast Desert Air Basins will continue to be reduced through legislative exhaust emission controls and increased provisions for mass transit (it should be noted that, in

addition to mitigation measures listed, there are others aimed at reducing mobile and stationary source emissions that are beyond the jurisdiction of the City of Lancaster and lie within the realm of other government agencies, such as the California Air Resources Board and SCAQMD). The following mitigation measures will be required to partially mitigate some of the project's potential effects:

- #45. To mitigate potential dust generation impacts, the project shall comply with City Ordinance 340, which requires specific dust control measures. The ordinance states the following: "No person shall cause or aggravate an existing dust or wind erosion condition without providing sufficient protection so as to prevent the soil on said land from being eroded by wind, creating dust, or blowing into a public road or roads or other public or private property." Such protection of the land shall be provided by means of walls, fences, planting and maintaining vegetation, covering the land, applying water, or other effective method(s) that will control dust emissions and wind erosion. If water is used, the land shall be kept moist to a depth of 1 inch and shall be applied by an onsite sprinkler system.

If an investigation of a project site indicates that dust control or wind erosion measures are inadequate, the City Engineer or his authorized representative may limit or halt all activities on the site until adequate wind erosion or dust control has been achieved (Section 6 of Ordinance 340). In addition to watering prior to and during grading (as discussed in SCAQMD Rule 403), these measures could include interim paving for construction vehicle access and applying chemicals to the soil surface that stabilize loose soil.

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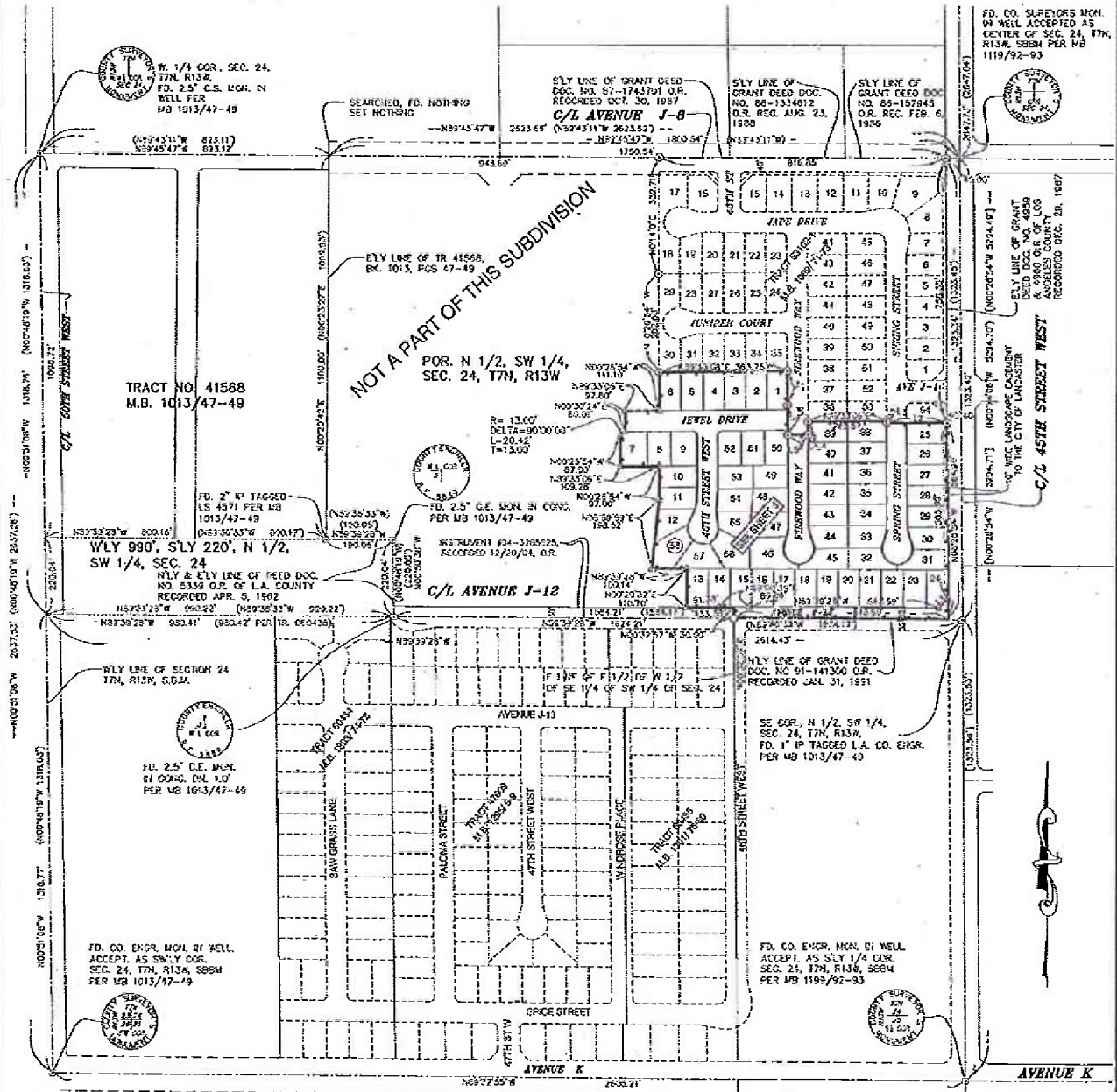
IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

58 LOTS

11.93 ACRES

NARESH C. KAMBOJ R.C.E. 21893

SURVEY DETAIL AND INDEX MAP



LEGEND:

- — — — — INDICATES THE BOUNDARY OF THE LAND BEING SUB DIVIDED BY THIS MAP.
- SPIKE AND WASHER TAGGED LS 5000 TO BE SET PER TRACT 60435 BOOK 1301, PAGES 76-80. IF MONUMENT IS NOT SET WITHIN 24 MONTHS OF THE RECORDING DATE OF TRACT A SPIKE AND WASHER TAGGED R.C.E. 21893 SHALL BE SET.
- ⊙ MONUMENT TO BE SET PER TRACT 53102-1, BOOK 1269, PAGES 71-73. IF MONUMENT IS NOT SET WITHIN 24 MONTHS OF THE RECORDING DATE OF TRACT A SPIKE AND WASHER TAGGED R.C.E. 21893 SHALL BE SET.
- ▲ S&W MONUMENT TO BE SET
- FOUND MONUMENT AS DESCRIBED
- () INDICATED RECORDED DATA PER TRACT MAP NO. 4 058 BK 1013 PP. 47-49 OR UNLESS NOTED OTHERWISE.
- ⚠ RESTRICTED ACCESS RIGHTS DELEGATED TO THE CITY OF LANCASTER

LINE	LENGTH	BEARING
1.1	174.00	N89°45'47"W
1.2	87.00	N00°00'00"E
1.3	87.00	N00°00'00"E
1.4	37.00	N00°00'00"E
1.5	87.00	N00°00'00"E
1.6	87.00	N00°00'00"E
1.7	87.00	N00°00'00"E
1.8	87.00	N00°00'00"E
1.9	87.00	N00°00'00"E
1.10	87.00	N00°00'00"E
1.11	87.00	N00°00'00"E
1.12	87.00	N00°00'00"E



I HEREBY CERTIFY THAT ALL INSTRUMENTS HAVE BEEN FILED AND CORRECTS HAVE BEEN MADE THAT ARE REQUIRED UNDER THE PROVISIONS OF SECTIONS 51121 AND 51122 OF THE CALIFORNIA CIVIL CODE.

EXHIBIT EFFECT: 12/10/2016 OFFICERS OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

By: *[Signature]* DATE: 12-21-16