

**AGREEMENT FOR INDEMNITY, REIMBURSEMENT AND RELEASE IN  
EXCHANGE FOR BOND EXONERATION**

THIS AGREEMENT FOR INDEMNITY, REIMBURSEMENT AND RELEASE IN EXCHANGE FOR BOND EXONERATION ("*Agreement*") is entered into between TRI POINTE HOMES HOLDING INC., a Delaware corporation ("*Tri Pointe*"), and the CITY OF BEAUMONT, a California municipal corporation ("*City*").<sup>1</sup> In consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the Parties do hereby agree as follows:

**RECITALS**

A. In connection with a residential project constructed by Tri Pointe in the City known as Sundance which includes Tract No. 31468-6, Tract No. 34290, Tract No. 31468-5, and Tract No. 31468-7 (collectively, the "*Projects*"), the City is currently holding certain bonds previously provided by Tri Pointe to the City pursuant to the Subdivision Improvement Agreements (individually, a "*SLI*" and collectively, the "*SLIs*") for the Projects for purposes of securing the completion of certain infrastructure improvements in the Projects;

B. The total lots in the Projects are as follows: 159 lots in Tract No. 31468-6, 23 lots in Tract No. 34290, 110 lots in Tract No. 31468-5, and 132 lots in Tract No. 31468-7, for a total number of 424 lots in the Projects combined;

C. The Projects are fully constructed per approved plans, including all infrastructure secured by the bonds currently being held by the City, and all residential units in the Projects have been sold to homebuyers;

D. The amounts of the bonds and the bond numbers for the Projects that the City is currently holding are as follows: (1) Bond No. 5022637 for \$2,236,624.65 for Tract No. 31468-6, (2) Bond No. 52BSBDL9439 for \$163,323.00 for Tract No. 34290, (3) Bond No. 5022636-M for \$237,846.79 for Tract No. 31468-5, and (4) Bond No. 82296452-M for \$159,893.27 for Tract No. 31468-7, for a total amount of \$2,797,687.71 (collectively, the "*Bonds*");

E. The City has not yet exonerated the Bonds due to a dispute between the City and Tri Pointe regarding certain improvements secured by the Bonds; and,

F. Pursuant to this Agreement, the City agrees to terminate the SIAs and exonerate the Bonds in exchange for Tri Pointe agreeing to provide certain indemnification and reimbursement payments to the City, as set forth in more detail below.

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<sup>1</sup> Tri Pointe and City are at times referred to herein individually as a "Party," and collectively as "the Parties."

## AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals which are incorporated by reference herein, and in consideration of the mutual promises, covenants, and conditions herein contained, Tri Pointe and City agree as follows:

1. **Effective Date.**

This Agreement shall become effective and legally binding on the Parties on the date upon which this Agreement has been fully executed by Tri Pointe and the City (the "*Effective Date*").

2. **Term.**

Unless otherwise terminated earlier by mutual written consent of the Parties, the term of this Agreement shall be for a period of ten (10) years, commencing on the Effective Date and automatically expiring on the tenth (10<sup>th</sup>) anniversary of the Effective Date (the "*Term*").

3. **Indemnity.**

To the fullest extent permitted by law, and at its sole expense, Tri Pointe promises and agrees that for a period of ten (10) years commencing on the Effective Date of this Agreement, to hold harmless, defend (with counsel of City's choice), protect and indemnify the City, its elected and appointed officials, employees, agents, and attorneys from and against any and all liabilities, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, court actions, lawsuits, losses, expenses, or costs, including but not limited to reasonable attorneys' fees, expert witness fees and court costs (collectively, "*Actions*"), which it may sustain as the result of any claim(s), proceeding(s), suit(s), action(s), or lawsuit(s) brought against City under the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101) (the "*ADA*"); the Rehabilitation Act of 1973 (29 U.S.C. § 701 *et seq.*); the Fair Employment and Housing Act (Gov't. Code § 12900 *et seq.*); the Unruh Civil Rights Act (Cal. Civil Code § 51); the Disabled Persons Act (Cal. Civil Code § 54 *et seq.*); or any other similar local, state or federal act or regulation in connection with any of the sidewalks and/or driveway aprons for the residential units in the Projects.

4. **Reimbursement.**

In addition to the foregoing, Tri Pointe agrees that immediately upon execution of this Agreement, it will pay City the sum of **twenty-five thousand dollars (\$25,000)** to defray attorneys' fees, staff time and costs incurred by the City in connection with this matter.

5. **Termination of Subdivision Improvement Agreements; Release of Securities.**

Upon the Effective Date, this Agreement shall serve as the Parties' mutual written consent to terminate all four SIAs for the Projects in their entirety. Within ten (10) calendar days of the Effective Date of this Agreement and Tri Pointe's payment referred to in section 4 above, City agrees to take any and all actions, and execute any and all documents necessary to cause the

Bonds currently being withheld by the City under the SIAs for the Projects to be fully released and exonerated.

**6. Event of Default.**

Failure by a Party to perform any action or covenant required by this Agreement within the time periods provided herein following notice and failure to cure as described hereafter, constitutes a "Default" or "Event of Default" under this Agreement. A Party claiming a Default shall give written Notice of Default to the other Party specifying the Default. The claimant shall not institute any proceedings against the other Party, and such other Party shall not be in Default if such Party within thirty (30) calendar days from receipt of such Notice of Default, immediately and with due diligence, commences to cure, correct or remedy the specified Default and shall complete such cure, correction or remedy with diligence. In the event the Party in Default, or causing such Default, fails to cure within said thirty (30) days, or if such breach is of a nature that it cannot be cured within said thirty (30) days, then the defaulting Party shall commence to cure in an additional fifteen (15) days (i.e., within forty-five (45) days of Notice of Default) and the defaulting Party shall diligently complete such cure, correction or remedy within a reasonable time thereafter but in no event later than one hundred twenty (120) days from the date of the Notice of Default.

**7. Institution of Legal Actions.**

In addition to any other rights or remedies and subject to the restrictions otherwise set forth in this Agreement, any Party may institute an action at law or equity to seek specific performance of the terms of this Agreement, or to cure, correct or remedy any Default, to recover damages for any Default, or to obtain any other remedy consistent with the purpose of this Agreement.

**8. Inaction Not a Waiver of Default.**

Any failures or delays by either Party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies, or deprive either such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

**9. Applicable Law And Venue.**

The laws of the State of California shall govern the interpretation and enforcement of this Agreement. The Parties agree that venue in any litigation between them related to this Agreement shall be in Riverside County, California.

10. **Notices.** All notices, demands, approvals and other communications in connection with this Agreement shall be in writing and be delivered to the appropriate party at its address as follows:

If to Tri Pointe:                      Tri Pointe Homes Holdings, Inc., a Delaware Corp  
& Tri Pointe Homes IE-SD, Inc., a California  
corporation.  
11250 Corona Pointe Ct, #600  
Corona, CA 92879  
Attention: Mike Taylor, Division President  
Email: [Mike.Taylor@TriPointeHomes.com](mailto:Mike.Taylor@TriPointeHomes.com)

If to City:                                      City of Beaumont  
550 E. 6th Street  
Beaumont, CA 92223  
Attn: City Manager and City Attorney

11. **Amendments and Counterparts.**

All amendments or modifications of this Agreement shall be in writing and shall be signed by both of the Parties. This Agreement may be executed in counterparts with the same effect as if all original signatures were placed on one document, all of which together shall be one and the same agreement. For purposes of this Agreement, a facsimile or scanned (.pdf or .tif file or equivalent) signature shall be considered as the equivalent of an original signature, shall be deemed good and valid acceptance of this Agreement, shall be reasonably relied upon by the Parties, and in counterparts that shall together constitute the Parties' Agreement as if it was one original instrument. This Agreement does not affect any other agreement between the City and Tri Pointe, including, but not limited to the Sundance Development Agreement.

12. **Severability.**

In the event any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

13. **Time is of the Essence.**

Time is of the essence of all of the provisions of this Agreement.

14. **Authority of Signatories to Agreement**

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement on behalf of the Party for which such execution is made, and has the requisite authority to bind his or her respective Party.

15. Entire Agreement

This Agreement constitutes the entire understanding and agreement of the Parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date set forth below.

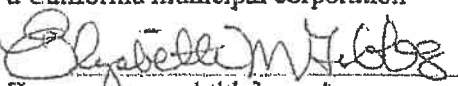
"TRI POINTE"

Tri Pointe Homes Holdings, Inc., a Delaware Corp.

By:   
Glenn J. Keeler, Chief Financial Officer

"CITY"

CITY OF BEAUMONT,  
a California municipal corporation

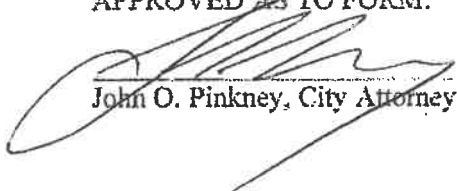
  
[Insert name and title] Elizabeth M Gibbs  
City Manager

ATTEST:

  
~~Elaine Morgan, City Clerk~~  
Nicole Wheelwright, Deputy City Clerk

July 29, 2024  
Date

APPROVED AS TO FORM:

  
John O. Pinkney, City Attorney