

FIRST AMENDMENT TO THE
SUBDIVISION AGREEMENT

This First Amendment ("Amendment") to the Subdivision Agreement is made and entered into this _____ day of June 2021 by and between the City of Coalinga ("City"), WM Estates, LLC ("WM") and Hofmann Land Development Company, Inc. ("Hofmann"), a California limited liability company.

WHEREAS on October 4, 2007 the City and Hofmann entered into a Subdivision Agreement ("Agreement") to insure performance by Hofmann of its obligations under the City Subdivision Ordinance and the Map Act for the development of a subdivision pursuant to map TSM 5451 for Tract No. 5776 (the "Subdivision");

WHEREAS, Hofmann entered into a contract with WM for the sale of the Subdivision on or about December 7, 2020;

WHEREAS, WM agrees to assume all responsibilities and obligations contained in the Agreement once escrow has closed on the sale of the Subdivision;

WHEREAS, Hofmann previously posted bond for the development of the Subdivision and WM is required by the City to put up a replacement bond;

WHEREAS, the parties agree to amend the language contained in the Agreement in order to provide for the change in developer and provide for provisions regarding the bond required; and

THEREFORE, the parties agree to the following modifications of the Agreement:

1. This Amendment shall become effective between the City and the new subdivider, WM concurrently with the close of escrow and is expressly conditioned on the posting of bond amounts as provided in Section 2(a-c) as amended below.
2. Subdivider, as referenced throughout the Agreement, shall mean WM Estates, LLC.
3. WM agrees, by execution of this Amendment, to accept the responsibilities and obligations provided in the Agreement.
4. Section 2(a-c) of the Agreement to read as follows:
 - a. To secure faithful performance of this Agreement, security in the amount of two million, one hundred forty-seven thousand, nine hundred and twenty-three dollars (\$2,147,923.00), which is equal to one hundred percent (100%) of the estimated cost of the Improvements, as determined by the City Engineer;
 - b. To secure payment to the Subdivider's contractor, subcontractors, materialmen, laborers and all other persons furnishing labor, materials or equipment in performance of this Agreement, security in the amount of one million, seventy-three thousand, nine hundred and sixty-one dollars (\$1,073,961.00), which is

equal to fifty percent (50%) of the estimated cost of the Improvements, as determined by the City Engineer;

- c. To secure payment of the cost of setting interior monuments, security in the amount of fifteen thousand, one hundred and thirty dollars (\$15,130.00), which is equal to one hundred percent (100%) of the estimated cost of the work of setting such monuments, as determined by the City Engineer.

5. The parties agree that upon the close of escrow of the Subdivision, Hofmann will have no responsibilities and obligations under the Agreement.

6. All other terms and conditions of the original Agreement shall remain unchanged and continues to be in effect.


City:

Dated: _____

Marissa Trejo, City Manager of the City of
Coalinga

Hofmann:

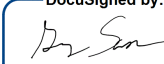
Dated: 7/7/2021

 **DENNIS M. DREW**

[NAME], on behalf of Hofmann Land
Development Company, Inc. **CFD**

WM:

Dated: 8/10/2021

DocuSigned by:

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Greg Sanders, on behalf of WM Estates LLC