

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO

City of Temecula
41000 Main Street
Temecula CA 92590
Attn: City Clerk

Space Above This Line for Recorder's Use
(Exempt from Recording Fees per Gov't Code § 6103)

APN: 921-030-043

STREET LIGHT PUBLIC IMPROVEMENT DEFERRAL AGREEMENT

This Agreement ("Agreement") is made and entered into as of 9/18, 2025 ("Effective Date"), by and between the City of Temecula, a California municipal corporation ("City"), and Diaz RE Holdings 2, LLC, a California limited liability company ("Developer"). The City and Developer each may be referred to herein as a "Party" and collectively as the "Parties". In consideration of the mutual covenants, promises, terms, and conditions set forth herein, the Parties hereby agree as follows:

1. Recitals. This Agreement is entered into for the following purposes and based on the following facts that the parties hereto agree to be true and correct:

A. Developer is the owner and developer of the 27635 Diaz Road property, which has received development approvals from the City under Planning Application No. PA24-0069 ("Land Use Entitlements").

B. The Property is legally described on Exhibit A.

C. Among the Conditions of Approval, Condition No. 73 ("COA 73") provides that Developer is required to design and construct street lights along the Diaz Road frontage of the Property:

"73. Street Lights. a. Street Light Plan – Street lighting shall be designed in accordance with the latest City Standards and Specifications for LS-3 street light rates, and as determined by the City Engineer.

b. Onsite and Offsite Street Lights Ownership and Maintenance – All proposed public and private streetlights shall be designed in accordance with City approved standards and specifications, or as determined and approved by the City Engineer. The City shall have ownership and maintenance of all proposed public streetlights and associated appurtenances, and shall be provided with adequate service points for power. The design shall be incorporated in the project's street improvement plans or in a separate street light plan as determined and approved by the City Engineer.

c. Streetlight Design as LS-3 Rate Lights – All new streetlights shall be designed as LS-3 rate lights in accordance with approved City standards and specifications, and as determined by the City Engineer.

d. Street Light Service Point Addressing – The developer shall coordinate with the PW Department and with Southern California Edison the assignment of addresses to required street light service points. Service points serving public streetlights shall be owned by the City and shall be located within public's right of way or within duly dedicated public easements." (as used herein, the "Street Light Condition").

D. Diaz Road currently does not have any existing street lighting. As such, installing street lights solely along the frontage of the Property, in the absence of construction and electrification of street lighting along the remainder of the street, would be impractical and an inefficient expenditure of time and resources.

E. City and Developer have agreed that in lieu of immediate construction per COA 73, Developer agrees to secure the future funding of Forty-Six Thousand Dollars (\$46,000) towards the City's future construction of street lighting along Diaz Road as satisfaction of COA 73.

F. Deferral of the time for compliance with Street Light Condition will not harm the health, safety or general welfare of the community and is of benefit to the community in allowing the construction of Project to proceed.

G. Accordingly, because compliance with the Street Light Condition is not feasible at this time and in order to provide the maximum possible opportunity to the City to complete the public improvements required by Street Light Condition, the Parties wish to enter into this Agreement to provide a mechanism through which, to the mutual benefit of the Parties, the terms of Street Light Condition can be fulfilled, while continuing construction of the Project.

2. Deferral of Date for Completion of Improvements Required by Street Light Condition. The Developer shall obtain and keep a bond guarantying the future contribution by Developer of \$46,000 towards the construction by the City of street lighting along Diaz Road required by and in accordance with the Street Light Condition subject to the following additional conditions:

A. Developer agrees to keep and renew on an annual basis a bond with the City to ensure the future contribution of such amount if and when the City actually constructs street lights along Diaz Road. Developer's agreement to obtain and maintain such bond, and pay the \$46,000 at the time of construction, as evidenced by Developer's execution of this Agreement, shall be deemed the satisfaction of COA 73.

B. Within ten (10) days of the City Council's approval of this Agreement, Developer shall post a payment and performance bond with the City in the form attached hereto as Exhibit B (the "Performance Bond").

The surety bonds shall be with an admitted California surety.

The surety bonds shall be in an amount equal to the estimated cost to install the improvements required by Street Light Condition as determined by the Director of Public Works, in his or her sole discretion, taking into account the current costs of construction as well as the anticipated increases in construction costs through the completion date.

C. The City Manager, or his or her designee, is hereby authorized to withhold the issuance or any permit or certificate of occupancy for the Project and to call the Performance Bond in addition to all other legal or equitable remedies in the event the Developer: 1) fails to comply with the provisions of this Agreement; 2) fails to renew the Performance Bond at least thirty (30) days prior to its expiration; or 3) the Property is sold, conveyed, foreclosed or otherwise transferred, in whole or in part, to a party unless there is a fully executed assignment and assumption agreement between the Developer, the transferee and City prior to the transfer.

D. Except as provided in this Agreement, all other provisions of the Land Use Approvals and the Conditions of Approval shall remain in full force and effect.

3. General.

A. Amendments. Any amendments to this Agreement shall be made only by the written approval of both of the parties hereto. The City Manager is authorized to enter into amendments to this Agreement to clarify its provisions or, for good cause, extend the time for performance of Developer's obligations or to make such other changes or approve additional documents, as may be reasonably necessary to achieve the purposes of this Agreement.

B. California Law. It is the intention of the parties that the laws of the State of California govern the validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties.

C. Covenants Binding on Successors in Interest. Each and all of the covenants, terms, provisions, and agreements herein contained shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and assigns of the respective parties hereto. These covenants, conditions, and restrictions shall run with the Property and shall be binding upon, and inure to the benefit of, the City and adjacent and nearby City properties, and all portions thereof, and any interest therein, and shall be binding upon, and inure to the benefit of, all parties having or acquiring any right, title or interest in the Property or any portion thereof, and are imposed upon the Property and every part thereof as equitable servitudes in favor of each and every portion thereof. This Agreement shall be recorded in the Official Records of the County of Riverside.

D. Intentionally Deleted.

E. Notice. Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, that provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by written notice to the

other party. Notice shall be effective upon delivery to the addresses specified below or on the third business day following deposit with the document delivery service or United States Mail as provided above.

1) To City:

City of Temecula
41000 Main Street
Temecula, California 92590
Attention: Director of Public Works

2) To Developer:

Diaz RE Holdings 2, LLC
2211 Michelson Drive, Suite 200
Irvine, CA 92612
Attention: Damian Burke
Email: damian@greenlawpartners.com
Phone: (949) 554-3721

With a copy to:

Allen Matkins Leck Gamble Mallory & Natsis LLP
2010 Main Street, Eighth Floor
Irvine, CA 92614
Attention: Matthew R. Fogt, Esq.
Email: mfogt@allenmatkins.com
Phone: (949) 851-5453

a) To the name and address as described on the latest equalized assessment roll for the County of Riverside for the Property.

F. No Third Party Beneficiaries. This Agreement is not intended to, and shall not be construed to, create any right on the part of a third Party nor does it create any private right of action for any third Party nor permit any third Party to bring an action to enforce any of its terms.

G. Good Faith and Further Acts. In exercising their respective rights and performing their respective obligations, the Parties agree to exercise good faith and fair dealing toward one another so that the purposes of this Agreement can be achieved. The Parties will take such additional steps and sign such additional documents as may be reasonably necessary to achieve the purposes of this Agreement.

H. Authority to Enter into Agreement. The Parties warrant that each has the legal capacity to enter into this Agreement. Each Party warrants that the individuals who have signed this Agreement has the legal power, right, and authority to make this Agreement and bind the respective Parties they represent. The Parties agree that this Agreement is legally valid and

binding on the Parties and is authorized by law, including but not limited to the California Subdivision Map Act.

I. Integrated Agreement. Except for subdivision improvement agreements and Land Use Entitlements for the Property, this agreement constitutes the entire understanding and agreement between the parties hereto with respect to the subject matter hereof, and there are no agreements, undertakings, restrictions, or warranties among the parties other than those set forth herein and herein provided for.

J. No Agency or Joint Venture. The terms and provisions of this Agreement shall not cause the parties hereto or any of each parties' agents, consultants, contractors or other providers of professional services to be construed in any manner whatsoever as partners, joint venturers or agents of each other in the performance of their respective duties and obligations under this Agreement, or subject either party to this Agreement to any obligation, loss, charge or expense of the other party to this Agreement.

K. Time of Essence. Time is expressly made of the essence of each and every provision of this Agreement.

L. Remedies. No remedy or election hereunder shall be deemed to be exclusive but shall, wherever possible, be cumulative with all other remedies at or in equity.

M. Venue. This Agreement shall be construed and interpreted in accordance with the laws of the State of California. Venue for any action arising directly or indirectly under this Agreement shall be in the Superior Court of Riverside County, California.

N. Exhibits. The following Exhibits are attached hereto and incorporated herein as though set forth in full:

- 1) Exhibit A, Description of Property
- 2) Exhibit B, Template of Performance Bond

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

CITY OF TEMECULA

Brenden Kalfus
Mayor

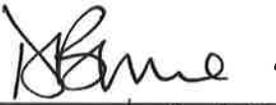
ATTEST:

Randi Johl, MMC
City Clerk

APPROVED AS TO FORM

Peter M. Thorson
City Attorney

**DIAZ RE HOLDINGS 2, LLC,
a California limited liability company**

By: 
Name: DAMIAN BURKE
Title: AUTHORIZED SIGNATORY

By: _____
Name: _____
Title: _____

[NOTE: If the Developer is a corporation, it must be represented by two individuals who shall execute this Agreement on behalf of the corporation as follows: (A) one from the corporation's "Operational Group" (Chair of the Board, President, or a Vice-President) and; (B) one from the corporation's "Financial Group" (Secretary, Assistant Secretary, Chief Financial Officer, Treasurer or Assistant Treasurer). A resolution of the Board of Directors designating one individual to sign the agreement on behalf of the corporation will be accepted. See California Corporations Code section 313. If the Developer is a limited liability company, limited liability partnership, or partnership, then the managing member of the LLC or the managing partner of the LLP or partnership must sign the Agreement.]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange) ss.

On September 18, 2025 before me, Notary Public Amanda Louise Morton, personally appeared Damian Burke

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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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: [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Document Date: September 11, 2024
Number of Pages: Signer(s) Other Than Named Above:

Capacity(ies) claimed by Signer(s)

- Signer's Name:
Corporate Officer - Title(s):
Partner - Limited General
Individual Attorney in Fact
Trustee Guardian or Conservator
Other:
Signer's Name:
Corporate Officer - Title(s):
Partner - Limited General
Individual Attorney in Fact
Trustee Guardian or Conservator
Other:

Signer Is Representing: Signer Is Representing:



EXHIBIT A
DESCRIPTION OF PROPERTY

[ATTACHED]

APNs:

LEGAL DESCRIPTION

Real property in the City of Temecula, County of Riverside, State of California, described as follows:

Parcel 1 of PARCEL MAP NO. 36203, in the City of Temecula, County of Riverside, State of California, as per map filed in Book 229, Pages 85 through 87 inclusive of Parcel Maps, records of Riverside County, California.

APN: 921-030-043

THE CONDITION OF THIS OBLIGATION is such that, if the Principal, its heirs, executors, administrators, successors, or assigns, shall in all things stand to, abide by, and well and truly keep and perform the covenants, conditions and agreements in the said Agreement, and in any alteration thereof made as therein provided, on its part to be kept and performed, at the time and in the manner therein specified, in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Temecula, its officers and agents, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and virtue.

As a part of the obligation secured hereby and in addition to the face amount specified, costs and reasonable expenses and fees shall be included, including reasonable attorneys' fees incurred by the City of Temecula in successfully enforcing this obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Agreement, or to the work to be performed thereunder, or to the specifications accompanying the same, shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Agreement or to the work.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named, on _____ September 25 _____, 2025.

(Seal)

SURETY: Philadelphia Indemnity Insurance Company

PRINCIPAL: Diaz RE Holdings 2, LLC

By: 
Name: Edward N. Hackett, Attorney-in-Fact

By: 
Name: _____

By: DAMIAN BURKE
Name: _____
Title: AUTHORIZED SIGNATORY

APPROVED AS TO FORM:

Peter M. Thorson
City Attorney

NOTE: If the party is a corporation, it must be represented by two individuals who shall execute this bond on behalf of the corporation as follows: (A) one from the corporation's "Operational Group" (Chair of the Board, President, or a Vice-President) and; (B) one from the corporation's "Financial Group" (Secretary, Assistant Secretary, Chief Financial Officer, Treasurer or Assistant Treasurer). A resolution of the Board of Directors designating one individual to sign the agreement on behalf of the corporation will be accepted. See California Corporations Code section 313. If the party is a limited liability company, limited liability partnership, or partnership, then the managing member of the LLC or the managing partner of the LLP or partnership must sign this bond.]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
) ss.
County of)

On September 25, 2025 before me, Carly P. Matlock, Notary Public
personally appeared Edward N. Hackett

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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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: Carly Matlock
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Bond No. CE 11857100158 Document Date: September 25, 2025

Number of Pages: 5 Signer(s) Other Than Named Above: N/A

Capacity(ies) claimed by Signer(s)

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: Philadelphia Indemnity Insurance Company

Signer Is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange) ss.

On September 20th, 2025 before me, Notary Public Amanda Louise Morton
personally appeared Damien Burke

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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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: Amanda Louise Morton
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) claimed by Signer(s)

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney In Fact

Trustee Guardian or Conservator

Other: _____

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney In Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

Signer Is Representing: _____

PHILADELPHIA INDEMNITY INSURANCE COMPANY

One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004-0950

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: That PHILADELPHIA INDEMNITY INSURANCE COMPANY (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint Edward N. Hackett and Christine Maestas of Hackett Bonds & Insurance Services, LLC, its true and lawful Attorney-in-fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed \$50,000,000.00.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY on the 14th of November 2016.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 5TH DAY OF OCTOBER 2024.

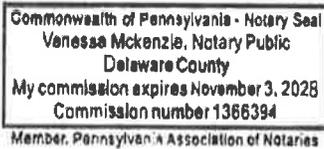


(Seal)

John Glomb, President & CEO
Philadelphia Indemnity Insurance Company

On this 5th day of October, 2024 before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the PHILADELPHIA INDEMNITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.

Notary Public:



residing at: Linwood, PA

My commission expires: November 3, 2028

I, Edward Sayago, Corporate Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do hereby certify that the foregoing resolution of the Board of Directors and the Power of Attorney issued pursuant thereto on the 5th day October 2024 are true and correct and are still in full force and effect. I do further certify that John Glomb, who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 25th day of September, 2025.



Edward Sayago, Corporate Secretary
PHILADELPHIA INDEMNITY INSURANCE COMPANY

STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
SAN FRANCISCO

Amended
Certificate of Authority

THIS IS TO CERTIFY that, pursuant to the Insurance Code of the State of California,

Philadelphia Indemnity Insurance Company

of Pennsylvania, organized under the laws of Pennsylvania, subject to its Articles of Incorporation or other fundamental organizational documents, is hereby authorized to transact within this State, subject to all provisions of this Certificate, the following classes of insurance:

**Fire, Marine, Surety, Disability, Plate Glass, Liability, Boiler and Machinery,
Burglary, Sprinkler, Automobile, and Miscellaneous**

as such classes are now or may hereafter be defined in the Insurance Laws of the State of California.

THIS CERTIFICATE is expressly conditioned upon the holder hereof now and hereafter being in full compliance with all, and not in violation of any, of the applicable laws and lawful requirements made under authority of the laws of the State of California as long as such laws or requirements are in effect and applicable, and as such laws and requirements now are, or may hereafter be changed or amended.

IN WITNESS WHEREOF, effective as of the 11th day of September, 2015, I have hereunto set my hand and caused my official seal to be affixed this 11th day of September, 2015.



Dave Jones
Insurance Commissioner

Valerie Sarfaty
for Nettie Hoge
Chief Deputy

By

NOTICE:

Qualification with the Secretary of State must be accomplished as required by the California Corporations Code promptly after issuance of this Certificate of Authority. Failure to do so will be a violation of Insurance Code section 701 and will be grounds for revoking this Certificate of Authority pursuant to the covenants made in the application therefor and the conditions contained herein.