

Attachment 2

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**AMENDMENT NO. 2 TO
ADVANCE FUNDING AGREEMENT
BETWEEN BMC EG BUNGALOW, LLC AND
THE COUNTY OF MONTEREY
FOR PREVAILING WAGE COMPLIANCE
AT THE EAST GARRISON PROJECT AT FORT ORD**

THIS AMENDMENT NO. 2 TO ADVANCE FUNDING AGREEMENT NO. 12425 ("Amendment No. 2") is entered into as of _____, 2017 (the "Execution Date") by and between the County of Monterey ("County") and BMC EG Bungalow, LLC a Delaware limited liability company ("Buyer"). The Buyer and County may each be referred to herein as a "Party" or collectively as the "Parties".

RECITALS

A. On March 26, 2013, the County and Buyer entered into Advance Funding Agreement No. A-12425 (the "Agreement") in order to provide funding to the County for certain reasonable and necessary costs of County staff and consultants in ensuring compliance with certain the prevailing wage requirements;

B. On January 21, 2016, the County and Buyer entered into a First Amendment to said Agreement to add and amend the Parcels described therein;

C. The County and Buyer desire to further amend the Agreement to add to and amend the Parcels described on Exhibit 1 attached thereto.

D. Unless otherwise defined herein all capitalized terms shall have the meaning set forth in the Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED IN THIS AMENDMENT NO. 2, COUNTY AND BUYER AGREE AS FOLLOWS:

1. Additional Parcels. The parcels more particularly described in Exhibit 1-B attached hereto are hereby added to and incorporated into the Parcels described in the Agreement (the "Additional Parcels").

2. Payment of Funds. Notwithstanding the fact that the number of Parcels have been increased, the County does not require an increase in the deposit amount held in "BMC EG Bungalow East Garrison Prevailing Wage Services Fund," as described in Section 2.01 of the Agreement.

3. Buyer Obligations. The Parties acknowledge that (a) UCP East Garrison, LLC ("UCP") is the current owner of the Additional Parcels, (b) Buyer is under contract with UCP to acquire the Additional Parcels from UCP, and UCP will convey the Parcels to Buyer, and (c)

notwithstanding the foregoing, Buyer is responsible for all obligations of Buyer under the Agreement, prior Amendments, and this Amendment No. 2, including, without limitation, delivering the certification of prevailing wage compliance prior to final inspection of a specific unit within the Additional Parcels.

4. General. Except as expressly amended or modified by this Amendment No. 2, all terms and conditions of the Agreement and prior Amendments shall remain unchanged and in full force and effect. This Amendment No. 2 may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and such counterparts together shall constitute only one agreement.

IN WITNESS WHEREOF, the County and Buyer have executed this Advance Funding Agreement as of the day and year written below.

COUNTY:
COUNTY OF MONTEREY

Date: _____

Mary L. Adams, Chair, Board of Supervisors

APPROVED AS TO FORM:

Brian P. Briggs
Deputy County Counsel

Date: _____

BUYER:
BMC EG Bungalow, LLC

Date: _____

James W. Fletcher
President, Northern California Division

AGREEMENT AND ACKNOWLEDGEMENT:

UCP East Garrison, LLC, as the current owner of the Parcels described herein, hereby acknowledges receipt of this Amendment No. 2 and consents to all the terms contained herein.

UCP East Garrison, LLC

Date: _____

James W. Fletcher
President, Northern California Division

EXHIBIT 1-B

Legal Description

Additional Parcels for East Garrison - Bungalow Lots (Partial), Phase 2

Real property in an unincorporated area, Monterey County, State of California, described as follows:

Lots 351 through 359, and 364 through 370, as shown on that certain map entitled "Tract No. 1519, East Garrison Phase Two", filed for record on March 19, 2015, in Volume 24 of Cities and Towns, at page 41, filed in the Office of the County Recorder, County of Monterey, State of California.

Excepting therefrom all mineral rights with the right of surface entry as reserved in the "Quitclaim Deed for a Portion of Former Fort Ord, Monterey, California", executed by the United States of America, in favor of the Fort Ord Reuse Authority, recorded May 19, 2006, Instrument No. 2006-045190, Official Records, Monterey County. Said document was re-recorded and amended January 12, 2007, Instrument No, 2007-03370, Official Records, Monterey County.

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