

**IMPROVEMENT AGREEMENT
MAINTENANCE (WARRANTY) BOND**

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, the City of Palm Desert, California ("City"), and Palm Desert University Gateway, LLC ("Principal") have entered into an agreement by which Principal agrees to install and complete certain designated public improvements for Parcel/Tract Map No. 36792 – Millennium Apartments ("Public Improvements") and to guarantee and warrant the work for a period of one year following its completion and acceptance; and

WHEREAS, the Public Improvements to be performed by Principal are more particularly set forth in that certain Agreement for Completion of Public Improvements in 31490-1 dated February 2, 2023 ("Improvement Agreement"); and

WHEREAS, the Improvement Agreement is hereby referred to and incorporated herein by reference; and

WHEREAS, Principal is required under the terms of the Improvement Agreement to furnish a bond to guarantee and warrant the work for a period of one year following its completion and acceptance against any defective work or labor done, or defective materials furnished, to comply with the terms of the Improvement Agreement.

NOW, THEREFORE, Principal and SureTec Insurance Company a corporation organized and existing under the laws of the State of Texas, and duly authorized to transact business under the laws of the State of California ("Surety"), are held and firmly bound unto the City in the penal sum of One Hundred Thirteen Thousand Seven Hundred Fifty Eight & 20/100 (\$113,758.20) dollars lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

Should Principal fail to promptly repair and replace defects required to be done by Principal within the time allowed by City, City may, at its option, cause all required work to be done and Principal and/or Surety will be firmly bound for the payment of all necessary costs therefor. In case of emergency, where in the sole opinion of City, delay could cause serious loss or damage, repairs may be made without notice being sent to City, and the expense in connection therewith shall be charged to Principal, and Surety shall be liable for the cost thereof.

The condition of this obligation is such, that if Principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions, agreements, guarantees, and warranties in the Improvement Agreement and any alteration thereof made as therein provided, to be kept and performed at the time and in the manner therein specified and in all respects according to their intent and meaning, and to indemnify and save harmless City, its officers, employees, and agents, as stipulated in the Improvement Agreement, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable

attorneys' fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

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 the specifications accompanying the same shall in anywise affect its obligations of 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 or to the specifications. The Surety waives all rights of subrogation against City or any person employed by City.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 21st day of May, 2025.

(Corporate Seal)

Palm Desert University Gateway, LLC

Principal By: 8405 MANAGEMENT, INC., its manager

By [Signature]

Title President

(Corporate Seal)

SureTec Insurance Company

Surety

By [Signature]

Attorney-in-Fact

(Attach Attorney-in-Fact Certificate)

Title Terah Lane, Attorney-In-Fact

The rate of premium on this bond is N/A per thousand. The total amount of premium charges is \$ N/A.

(The above must be filled in by corporate attorney.)

THIS IS A REQUIRED FORM

Any claims under this bond may be addressed to:

(Name and Address of Surety)

SureTec Insurance Company

2103 CityWest Blvd., Suite 1300

Houston, TX 77042

(Name and Address of Agent or Representative for service of process in California, if different from above)

Alliant Insurance Services, Inc.

18100 Von Karman Avenue, 10th Floor

Irvine, CA 92612

(Telephone number of Surety and Agent or Representative for service of process in California)

Surety: (713) 812-0800 / Agent: (714) 546-5100

Notary Acknowledgment

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 ILLINOIS
COUNTY OF COOK

On MAY 29, 2025, before me, MARK PLANDOWSKI, Notary Public, personally appeared YUNATAN DOTAN, 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 of Notary Public

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.

CAPACITY CLAIMED BY SIGNER

- ☐ Individual
☒ Corporate Officer
PRESIDENT

Title(s)

- ☐ Partner(s) ☐ Limited
☐ General
☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

5405 MANAGEMENT, INC. the manager of
PAUM DORSET UNIVERSITY GARDEN, LLC

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document

Number of Pages

Date of Document

Signer(s) Other Than Named Above

NOTE: This acknowledgment is to be completed for Principal.

Notary Acknowledgment

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.

SEE ATTACHED NOTARY ACKNOWLEDGMENT

STATE OF CALIFORNIA
COUNTY OF _____

On _____, 20____, before me, _____, Notary Public, personally
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")
appeared _____, who proved to me on the basis of satisfactory
Name(s) of Signer(s)

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.

Place Notary Seal Above

Signature of Notary Public

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.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- ☐ Individual
☐ Corporate Officer

- _____
Title(s)
- ☐ Partner(s) ☐ Limited
☐ General
- ☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

Title or Type of Document

Number of Pages

Date of Document

Signer(s) Other Than Named Above

NOTE: This acknowledgment is to be completed for the Attorney-in-Fact for Surety. The Power-of Attorney to local representatives of the bonding company must also be attached.

Acknowledgment

State of Iowa

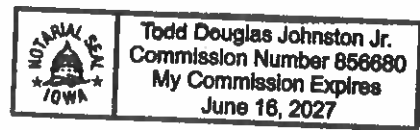
County of Black Hawk

This instrument was acknowledged before me

on 5/21/2025,
date

by Terah Lane,
Name(s) of Person(s)

TJ
Signature of Notary Public



Notary Public
Title (or Rank of Military Personnel)

Todd Douglas Johnston Jr.
Iowa Notarial Seal

Commission Number: 856680

My Commission Expires: 06/16/2027

My commission expires June 16, 2027

JOINT LIMITED POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That SureTec Insurance Company, a Corporation duly organized and existing under the laws of the State of Texas and having its principal office in the County of Harris, Texas and Markel Insurance Company (the "Company"), a corporation duly organized and existing under the laws of the state of Illinois, and having its principal administrative office in Glen Allen, Virginia, does by these presents make, constitute and appoint:

Kim Luu, Michael Parizino, Rachelle Rheault, James A. Schaller, Maria Guise, Heather Saltarelli, Leigh McDonough, Mark Richardson, Kevin Cathcart, Terah Lane, Jessica Alvarado, Harrison Yoshioka

Their true and lawful agent(s) and attorney(s)-in-fact, each in their separate capacity if more than one is named above, to make, execute, seal and deliver for and on their own behalf, individually as a surety or jointly, as co-sureties, and as their act and deed any and all bonds and other undertaking in suretyship provided, however, that the penal sum of any one such instrument executed hereunder shall not exceed the sum of:

Fifty Million and 00/100 Dollars (\$50,000,000.00)

This Power of Attorney is granted and is signed and sealed under and by the authority of the following Resolutions adopted by the Board of Directors of SureTec Insurance Company and Markel Insurance Company:

"RESOLVED, That the President, any Senior Vice President, Vice President, Assistant Vice President, Secretary, Assistant Secretary, Treasurer or Assistant Treasurer and each of them hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer or attorney, of the company, qualifying the attorney or attorneys named in the given power of attorney, to execute in behalf of, and acknowledge as the act and deed of the SureTec Insurance Company and Markel Insurance Company, as the case may be, all bond undertakings and contracts of suretyship, and to affix the corporate seal thereto."

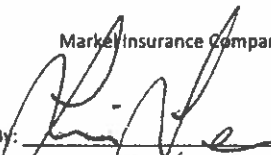
IN WITNESS WHEREOF, Markel Insurance Company and SureTec Insurance Company have caused their official seal to be hereunto affixed and these presents to be signed by their duly authorized officers on the 2nd day of October, 2024.

SureTec Insurance Company

By: 
Michael C. Keimig, President



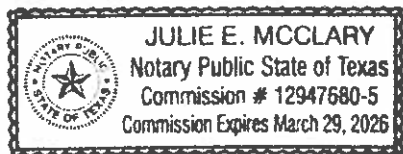
Markel Insurance Company

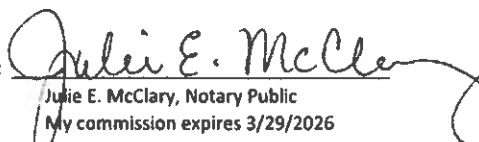
By: 
Lindsey Jennings, Vice President

State of Texas
County of Harris:

On this 2nd day of October, 2024 A. D., before me, a Notary Public of the State of Texas, in and for the County of Harris, duly commissioned and qualified, came THE ABOVE OFFICERS OF THE COMPANIES, to me personally known to be the individuals and officers described in, who executed the preceding instrument, and they acknowledged the execution of same, and being by me duly sworn, disposed and said that they are the officers of the said companies aforesaid, and that the seals affixed to the proceeding instrument are the Corporate Seals of said Companies, and the said Corporate Seals and their signatures as officers were duly affixed and subscribed to the said instrument by the authority and direction of the said companies, and that Resolutions adopted by the Board of Directors of said Companies referred to in the preceding instrument is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my Official Seal at the County of Harris, the day and year first above written.



By: 
Julie E. McClary, Notary Public
My commission expires 3/29/2026

We, the undersigned Officers of SureTec Insurance Company and Markel Insurance Company do hereby certify that the original POWER OF ATTORNEY of which the foregoing is a full, true and correct copy is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, we have hereunto set our hands, and affixed the Seals of said Companies, on the 21st day of May, 2025.

SureTec Insurance Company

By: 
M. Brent Beaty, Assistant Secretary

Markel Insurance Company

By: 
Andrew Marquis, Assistant Secretary

Any Instrument issued in excess of the penalty stated above is totally void and without any validity. 610761
For verification of the authority of this Power you may call (713)812-0800 on any business day between 8:30 AM and 5:00 PM CST.