TERMINATION AND OPTION SURRENDER AGREEMENT

THIS TERMINATION AND OPTION SURRENDER AGREEMENT (the "Agreement") is executed as of December __, 2004, by and between NM HOMES ONE, INC., a Delaware corporation ("NMH"), and LAS VIRGENES UNIFIED SCHOOL DISTRICT, a political subdivision of the State of California (the "District"), with reference to the following:

R E C I T A L S

A. The District and Village Properties, a California general partnership, as "Developer", executed that certain School Site Agreement, dated January 8, 1991 (the "School Site Agreement"), a copy of which is attached hereto as **Exhibit "A"**. All defined terms used herein and not otherwise defined in this Agreement shall have the meanings described to such terms in the School Site Agreement. Pursuant to the School Site Agreement, Developer granted the Option to the District to acquire the School Site upon the terms and conditions set forth therein.

B. The School Site is located at within a gated residential development commonly known as The Oaks of Calabasas and is more particularly described on **Exhibit "B"** attached hereto and made a part hereof (the "Property"). NMH is the owner of the Property, including the real property subject to the Option granted by the Developer to the District under the School Site Agreement, and has succeeded to the rights, duties and obligations of the Developer under the School Site Agreement. NMH and the District previously executed that certain Forbearance and Tolling Agreement, dated as of January 28, 2004 (the "Forbearance Agreement"), in order to toll the running of certain time periods under the School Site Agreement.

C. The School Site Agreement provides, among other things, for delivery of the Exercise Notice to NMH no later than 12 months prior to the date upon which the Option expires. The District transmitted the Exercise Notice to NMH on or about April 16, 2004. On or about June 22, 2004, the District delivered a Certificate, dated June 14, 2004, to NMH to evidence the District's satisfaction of the conditions precedent to transmittal of the Exercise Notice.

D. The District and NMH, together with the City of Calabasas (the "City"), have agreed in principle to an arrangement under which, *inter alia*, (i) the District would surrender the Option and extinguish any interest in the Property arising under or in respect of the School Site Agreement by executing this Agreement and the Quitclaim Deed appended hereto as **Exhibit "C"**, (ii) NMH will pay the sum of $4,000,000.00 to the to the City in trust for the benefit of the District in the manner and at the times set forth below and execute and deliver, to and in favor of the District, each of the Promissory Note and the Deed of Trust in the forms respectively appended hereto as Exhibits "D" and "E", and (iii) the City will, under certain circumstances, use such funds, together with certain other funds to be paid by NMH to the City, pursuant to other agreements to which NMH is not a party, to acquire other unrelated real property located in the City of Calabasas from an unrelated third-party and enter into a ground lease with the District for the purpose of enabling the District to build and operate a new elementary school within the City.

E. District and NMH have agreed to execute this Agreement in order to provide for surrender and quitclaim of the Option and the termination of all rights of any type or nature held by the District under the School Site Agreement and the payment by NMH of the sum of $4,000,000.00 to the City in trust for the benefit of the District in the manner and at the times set forth below.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of NMH and District hereby agree as follows:

1. **Recitals True & Correct**. Each and all of the Recitals set forth above are incorporated by reference herein within the same force and effect as if such Recitals were set forth in full herein. Each of NMH and District respectively represent and warrant that each and all of the Recitals set forth above are true and correct in all respects.

2. **Deliveries by District To Escrow Holder**. The parties shall promptly open an escrow ("Escrow") with First American Title Insurance Company ("Escrow Holder") after the execution and delivery of this Agreement by the District and NMH and the parties hereto shall execute such escrow instructions as are required by Escrow Holder to implement this Agreement. The District agrees to deliver each of the following documents to Escrow Holder within five (5) calendar days following the execution of this Agreement by the District and NMH:

(a) A Quitclaim Deed in the form appended hereto as Exhibit "C" (the "Quitclaim Deed") duly executed by authorized signatories of the District and acknowledged in such manner as to permit recordation of the Quitclaim Deed in the Official Records of Los Angeles County, California;

(b) A certified copy of a resolution adopted by the District authorizing the execution and delivery of this Agreement and the Quitclaim Deed and the surrender and extinguishment of all right, title, interest, claim and estate held by the District in, to and under the School Site Agreement and the School Site; and

(c) An original incumbency certificate duly certified by the Secretary of District evidencing the authority and offices held by the individuals executing this Agreement and the Quitclaim Deed for and on behalf of the District.

3. **Payment and Deliveries by NMH to District and To Escrow Holder**.

(a) Concurrently with delivery to Escrow Holder of each and all of the documents and instruments required to be delivered by the District to Escrow Holder under Section 2 hereof, NMH shall deliver to Escrow Holder each of (a) the sum of Two Million Dollars ($2,000,000.00) in immediately available funds to be held by Escrow Holder and released to the City in trust for the benefit of the District concurrently with the recordation of the Quitclaim Deed in the Official Records of Los Angeles County, California, and (b) execute and deliver, to and in favor of the District, each of the Secured Promissory Note (the "Note") and the Deed of Trust ("Deed of Trust") in the forms respectively appended hereto as Exhibits "D" and "E", duly executed by authorized signatories of NMH and, as to the Deed of Trust, acknowledged in such manner as to permit recordation of the Deed of Trust in the Official Records of Los Angeles County, California. In addition to and not in limitation or derogation of

the foregoing, in no event shall NMH be required to make any payments or provide any other form or type of consideration whatsoever to the District in respect of execution, delivery and performance of each of the Quit Claim Deed and this Agreement by the District, the delivery of each and all of the documents and instruments required to be delivered by the District under Section 2 hereof, and the surrender and extinguishment of the Option and all right, title, interest, claim and estate of the District in and to the School Site Agreement.

(b) Concurrently with delivery to Escrow Holder of each and all of the documents and instruments required to be delivered by NMH to Escrow Holder under Section 3(a) hereof, NMH shall deliver the following items to the District:

(i) A certified copy of a resolution adopted by NMH authorizing the execution, delivery and performance of this Agreement, the Note, and the Deed of Trust; and

(ii) An original incumbency certificate certified by the Secretary of NMH evidencing the authority and offices held by the individuals executing this Agreement, the Note and the Deed of Trust on behalf of NMH.

4. **Representations and Warranties by District**. The District hereby makes the following representations and warranties on and as of the date hereof. In addition, each and all of the representations and warranties set forth below shall be and be deemed to be restated and given as of and upon the date upon which (a) the District shall have executed and delivered each and all of the documents and instruments required to be delivered by the District to NMH under Section 2 hereof and (b) the Quitclaim Deed shall have been recorded in the Official Records of Los Angeles County, California.

(a) **Power and Authority of District.** District is a political subdivision of the State of California, duly organized and validly existing under California law, and has the requisite right, power and authority to execute and deliver the Quitclaim Deed to and in favor of NMH, to terminate, extinguish and surrender all right, title, interest, claim and estate held by the District in, to and under the School Site Agreement and the School Site as provided herein, and to enter into and perform this Agreement and the execution and delivery hereof and of the other documents and instruments be executed and delivered by the District pursuant to this Agreement. District has taken all action necessary to authorize the execution, delivery and performance of this Agreement and all documents and agreements to be executed by the District in connection herewith or pursuant hereto. The individuals executing this Agreement and the Quitclaim Deed have authority to bind District to the terms and conditions hereof and thereof. The performance by District of District's obligations hereunder will not violate or constitute a default under the terms and provisions of applicable law or any material agreement, document or instrument to which District is a party or by which District is bound or affected. All proceedings required to be taken by or on behalf of District to authorize District to execute, deliver and perform the terms of this Agreement have been duly and properly taken. No further consent of any person, entity, government instrumentality, or court is required in order to enable District to duly and validly execute, deliver, or perform each and all of its obligations under this Agreement and to execute and deliver the Quitclaim Deed to and in favor of NMH.

(b) **Validity of Agreement**. This Agreement constitutes, and the Quitclaim Deed and

all other documents required by this Agreement to be executed by District shall constitute when so executed, valid and binding obligations of District, enforceable against District in accordance with their respective terms.

(c) **No Hypothecation**. District has title to the Option free of all liens and encumbrances. District has not pledged, assigned, conveyed or otherwise transferred, whether absolutely or as collateral, any of District's right, title, interest, claim and estate in and to the Option or the School Site Agreement

(d) **Litigation.** Except as disclosed on Exhibit "F" attached hereto, there are no pending actions, suits, arbitrations, claims or proceedings, at law or in equity, affecting all or any portion of District's interest in the Option or the School Site Agreement, or to which District is a party by reason of District's ownership of the Option nor has District received any written threat by any person or entity not a party hereto to assert or commence any such action, suit, claim or proceeding.

(e) **Compliance with Laws.** The execution, delivery and performance of this Agreement and the Quitclaim Deed by District fully comply with all applicable laws, ordinances, requirements, regulations, statutes, orders and similar directives. No notice or notices of violations of law, ordinances, regulations, orders or requirements relating to the School Site Agreement or the Option have been received by District.

(f) **Other Contracts.** District has not entered into any other contracts for the sale, lease or transfer of all or any part of the Option.

(g) **Work.** No work has been performed by or on behalf of the District or is in progress at, and no materials have been furnished to, any part of the School Site by or on behalf of the District which, though not presently the subject of, might give rise to mechanics', materialmen's or other liens against all or any part of the Property. If any lien for any such work performed by or on behalf of the District is filed, District shall promptly discharge the same. The District does not make any representations or warranties with respect to, and shall not indemnify NMH against any work or materials furnished to the School Site by or on behalf of any person or entity other than the District.

(h) **Non-Foreign Status.** District is not a “foreign person” as defined in Section 1445(f)(3) of the Internal Revenue Code.

(i) **Retention of Counsel**. District has retained counsel to represent District in the transaction contemplated herein; District has read and understands this Agreement; and District has been advised by its own counsel with respect to its rights and obligations under this Agreement.

(j) **Reasonably Equivalent Value**. The consideration which District shall receive from the City is reasonably equivalent value for the surrender and extinguishment of the Option.

(k) **Survival of Warranties**. All representations and warranties made by District in this Agreement or in any other document or instrument delivered to NMH by or on behalf of

District pursuant to or in connection with this Agreement shall survive the execution, delivery and recordation of the Quitclaim Deed.

5. **Representations and Warranties by NMH**. NMH hereby makes the following representations and warranties on and as of the date hereof. In addition, each and all of the representations and warranties set forth below shall be and be deemed to be restated and given as of and upon the date upon which (a) the District shall have executed and delivered each and all of the documents and instruments required to be delivered by the District to NMH under Section 2 hereof, (b) the Quitclaim Deed shall have been recorded in the Official Records of Los Angeles County, California and (c) the Deed of Trust shall have been recorded in the Official Records of Los Angeles County, California.

(a) **Power and Authority of NMH.** NMH is a Delaware corporation, duly organized and validly existing, and has the requisite right, power and authority to enter into and perform this Agreement. NMH has taken all corporate action necessary to authorize the execution, delivery and performance of this Agreement and all documents and agreements to be executed by NMH in connection herewith or pursuant hereto. The individuals executing this Agreement have authority to bind NMH to the terms and conditions hereof. The performance by NMH of NMH's obligations hereunder will not violate or constitute a default under the terms and provisions of applicable law or any material agreement, document or instrument to which NMH is a party or by which NMH is bound or affected. All proceedings required to be taken by or on behalf of NMH to authorize NMH to execute, deliver and perform the terms of this Agreement have been duly and properly taken. No further consent of any person, entity, government instrumentality, or court is required in order to enable NMH to duly and validly execute, deliver, or perform each and all of its obligations under this Agreement, the Note and the Deed of Trust.

(b) **Validity of Agreement**. This Agreement constitutes, and the Note and Deed of Trust, when executed and delivered, will constitute, the valid and binding obligations of NMH enforceable against NMH in accordance with their respective terms.

(c) **No Hypothecation**. NMH has not pledged, assigned, conveyed or otherwise transferred, whether absolutely or as collateral, any of NMH's right, title, interest, claim and estate in and to the School Site Agreement.

(d) **Litigation.** Except as disclosed on Exhibit "F" attached hereto, there are no pending or, to NMH's knowledge, threatened actions, suits, arbitrations, claims or proceedings, at law or in equity, affecting all or any portion of NMH's interest in the School Site Agreement.

(e) **Compliance with Laws.** The execution, delivery and performance of this Agreement , the Note and the Deed of Trust by NMH fully complies with all applicable laws, ordinances, requirements, regulations, statutes, orders and similar directives. No notice or notices of violations of law, ordinances, regulations, orders or requirements relating to the Option have been received by NMH.

(f) **Retention of Counsel**. NMH has retained counsel to represent it in the transaction contemplated herein; NMH has read and understands this Agreement; and NMH has been advised by its own counsel with respect to its rights and obligations under this Agreement.

(g) **Value of Encumbered Lots**. As of August 15, 2004, the fair market value of each of the three lots described on Exhibit "A" to the Deed of Trust was not less than $875,000.

(h) **Survival of Warranties**. All representations and warranties made by NMH in this Agreement shall survive the execution, delivery and recordation of the Quitclaim Deed.

6. **Release By District**.

(a) District does hereby fully, forever and irrevocably release, discharge and acquit NMH, and its past and present affiliates, and the respective past and present officers, directors, shareholders, agents, and employees of each and all of the foregoing entities, and its and their respective successors, heirs, and assigns, and any other person or entity now, previously, or hereafter affiliated with any or all of the foregoing entities (NMH, together with each and all said affiliates, officers, directors, shareholders, agents and employees shall be collectively referred to hereinbelow as the "NMH Released Parties" and each such reference shall refer individually and collectively to each and all of NMH and such other persons and entities), of and from any and all rights, claims, demands, obligations, liabilities, indebtedness, breaches of contract, breaches of duty or any relationship, acts, omissions, misfeasance, malfeasance, cause or causes of action, failure of consideration, debts, sums of money, accounts, compensations, contracts, controversies, promises, damages, costs, losses and expenses of every type, kind, nature, description or character, and irrespective of how, why, or by reason of what facts, whether heretofore or now existing, or that could, might, or may be claimed to exist, of whatever kind or name, whether known or unknown, suspected or unsuspected, liquidated or unliquidated, claimed or unclaimed, whether based on contract, tort, breach of any duty, or other legal or equitable theory of recovery, each as though fully set forth herein at length arising from or out of, are connected with, or relate to the School Site Agreement and/or the Option (collectively a "Claim" or the "Claims"), but excluding therefrom any obligations of NMH evidenced by this Agreement, the Note and the Deed of Trust.

(b) District irrevocably covenants and agrees District shall forever refrain from initiating, filing, instituting, maintaining, or proceeding upon, or encouraging, advising or voluntarily assisting any other person or entity to initiate, institute, maintain or proceed upon any Claim of any nature whatsoever released in Section 6(a) above. District represents and warrants that District is the owner of and has not assigned, sold, transferred, or otherwise disposed of any of the Claims released in Section 6(a).

(c) As further consideration for this Release, District, for itself and its successors and assigns, hereby agrees, represents and warrants that the Claims released herein are not limited to matters that are known or disclosed, and District hereby waives, in respect of the Claims, any and all rights and benefits that the District now has, or in the future may have, conferred upon it by virtue of the provisions of Section 1542 of the Civil Code of the State of California (or any other statute or common law principles of similar effect), which Section provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME

OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

In this connection, District hereby agrees, represents and warrants that it realizes and acknowledges that factual matters now unknown to the District may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses, and expenses that are presently unknown, unanticipated, and unsuspected, and District further agrees, represents and warrants that this Release has been negotiated and agreed upon in light of that realization and that, except as expressly limited above, District nevertheless hereby intends to release, discharge, and acquit the NMH Released Parties in respect of the Claims from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses, and expenses.

(d) It is understood and agreed that the acceptance of delivery of this Release by the NMH Released Parties shall not be deemed or construed as an admission of liability by any NMH Released Parties, and each such party hereby expressly denies liability of any nature whatsoever arising from or related to the subject of the within Release.

(e) District hereby agrees, represents and warrants that it has had advice of counsel of its own choosing in negotiations for and the preparation of this Release, that the District has read this Release, that the District has had this Release fully explained by such counsel, and that the District is fully aware of its content and legal effect. This Release may be pleaded as a full and complete defense to, or be used as the basis for an injunction against, any action, suit, or other proceeding that may be instituted, prosecuted, or attempted in breach of this Release. District expressly agrees that the customary rule of contract interpretation to the effect that ambiguities are to be construed or resolved against the drafting party shall not be employed in the interpretation or construction of this Release.

(f) This Release will be binding upon and for the benefit of the NMH Released Parties and their respective successors, heirs, devisees, executors, affiliates, representatives, assigns, officers, agents, and employees wherever the context requires or admits.

7. **Release By NMH**.

(a) NMH does hereby fully, forever and irrevocably release, discharge and acquit the District, and its respective past and present affiliates, and the respective past and present officers, directors, shareholders, agents, and employees of each and all of the foregoing entities, and its and their respective successors, heirs, and assigns, and any other person or entity now, previously, or hereafter affiliated with any or all of the foregoing entities (District, together with each and all said affiliates, officers, directors, shareholders, agents and employees shall be collectively referred to hereinbelow as the "District Released Parties" and each such reference shall refer individually and collectively to each and all of District and such other persons and entities), of and from any and all Claims arising from or out of, connected with, or related to the School Site Agreement and/or the Option, but excluding therefrom any duties or obligations of the District under this Agreement or otherwise existing in respect of the Note or the Deed of Trust.

(b) NMH irrevocably covenants and agrees NMH shall forever refrain from initiating, filing, instituting, maintaining, or proceeding upon, or encouraging, advising or voluntarily assisting any other person or entity to initiate, institute, maintain or proceed upon any Claim of any nature whatsoever released in Section 7(a) above. NMH represents and warrants that NMH is the owner of and has not assigned, sold, transferred, or otherwise disposed of any of the Claims released in Section 7(a).

(c) As further consideration for this Release, NMH, for itself and its successors and assigns, hereby agrees, represents and warrants that the Claims released herein are not limited to matters that are known or disclosed, and NMH hereby waives in respect of the Claims, any and all rights and benefits that NMH now has, or in the future may have, conferred upon it by virtue of the provisions of Section 1542 of the Civil Code of the State of California (or any other statute or common law principles of similar effect), which Section provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

In this connection, NMH hereby agrees, represents and warrants that it realizes and acknowledges that factual matters now unknown to NMH may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses, and expenses that are presently unknown, unanticipated, and unsuspected, and NMH further agrees, represents and warrants that this Release has been negotiated and agreed upon in light of that realization and that, except as expressly limited above, NMH nevertheless hereby intends to release, discharge, and acquit the District Released Parties in respect of the Claims from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses, and expenses.

(d) It is understood and agreed that the acceptance of delivery of this Release by the District Released Parties shall not be deemed or construed as an admission of liability by any NMH Released Parties, and each such party hereby expressly denies liability of any nature whatsoever arising from or related to the subject of the within Release.

(e) NMH hereby agrees, represents and warrants that it has had advice of counsel of its own choosing in negotiations for and the preparation of this Release, that NMH has read this Release, that NMH has had this Release fully explained by such counsel, and that NMH is fully aware of its content and legal effect. This Release may be pleaded as a full and complete defense to, or be used as the basis for an injunction against, any action, suit, or other proceeding that may be instituted, prosecuted, or attempted in breach of this Release. NMH expressly agrees that the customary rule of contract interpretation to the effect that ambiguities are to be construed or resolved against the drafting party shall not be employed in the interpretation or construction of this Release.

(f) This Release will be binding upon and for the benefit of the District Released Parties and their respective successors, heirs, devisees, executors, affiliates, representatives, assigns, officers, agents, and employees wherever the context requires or admits.

8. **Conditions Precedent**. The District shall not be obligated to cause Escrow Holder to record the Quit Claim Deed in the Official Records of Los Angeles County unless and until each of the following conditions has been satisfied:

(a) Escrow Holder is prepared to issue to and in favor of the District an ALTA Lender's Policy of Title Insurance in the amount of $2,000,000, insuring the lien of the Deed of Trust as a first lien on the real property described on Exhibit "A" to the Deed of Trust subject, as to monetary encumbrances, only to a lien for non-delinquent real property taxes and with no exceptions to coverage based on any mechanic's or materialmen's lien, and otherwise subject only to such exceptions to title as are reasonably approved by the District.

(b) Each of the following documents shall have been executed and delivered by each and all of the parties thereto and fully executed counterparts thereof shall have been delivered to each of the District and NMH:

(i) That certain Agreement dated as of December ___, 2004 between NMH and the City;

(ii) That certain Memorandum of Agreement dated as of December __, 2004 between the City and the District;

(iii) That certain Memorandum of Agreement dated as of December __, 2004 among the City, the District and the Calabasas Park Homeowner's Association; and

(iv) That certain Memorandum of Agreement dated as of December ___, 2004 among the City, the District, and the Oaks of Calabasas Homeowner's Association.

9. **Attorney's Fees**. In the event an action is brought arising out of an alleged breach of this Agreement, the prevailing party in said action will be entitled to recover from the breaching party, in addition to any other relief provided by the law, such costs and expenses as may be incurred by the prevailing party, including court costs and attorneys' fees and disbursements and other costs and expenses, whether taxable or not.

10. **Notices**. All communications, notices and demands of any kind which any party hereto may be required or may desire to serve upon any other party shall be in writing and shall be (i) personally served upon such party, (ii) mailed by United States registered or certified mail, postage prepaid, return receipt requested, (iii) sent by a locally recognized courier service for same day or next day delivery, to be confirmed in writing by such courier, or (iv) sent by confirmed electronic facsimile transmission (with an additional confirming copy served in accordance with (i), (ii), or (iii) above), addressed as follows:

If to District:
Las Virgenes Unified School District
4111 North Las Virgenes Road
Calabasas, CA 91302
Attention: Dr. Donald Zimring, Interim Superintendent
Fax: (818) 880-4200

With a copy to:

Hughes, Hubbard & Reed, LLP
350 South Grand Avenue, 36th Floor
Los Angeles, California 90071-3442
Attention: Richard Friedman, Esq.
Fax: (213) 330-3236

If to NMH:

NM Homes One, Inc.
c/o New Millennium Homes, LLC
23622 Calabasas Rd., # 149
Calabasas, CA 91302
Attn: Louis J. Malone
Fax: (818) 223-8027

With a copy to:

Gibson, Dunn & Crutcher LLP
333 South Grand Avenue
Los Angeles, California 90071
Attention: Dennis B. Arnold, Esq.
Fax: (213) 229-6864

Any party may change its address by giving the other party written notice of its new address as herein provided. Notices given in the manner aforesaid shall be deemed delivered when actually received or refused by the party to whom sent, unless such notice is mailed as aforesaid, in which event such notice shall be deemed complete on the day of actual delivery as shown by the return receipt or at the expiration of the third (3rd) day after the date of mailing, whichever first occurs.

11. **Entire Agreement**. This Agreement and the documents and instruments appended hereto embody the entire agreement between the parties relative to the subject matter hereof, and there are no oral or parol agreements existing between Seller and Buyer relative to the subject matter hereof which are not expressly set forth herein or therein and covered hereby or thereby.

12. **Headings**. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof.

13. **Interpretation**. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include female gender and the neuter, and vice versa.

14. **Severability**. In case any one or more of the provisions contained in 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 the

remainder of the provisions of this Agreement shall continue in full force and effect without impairment.

15. **Time of the Essence**. Time is of the essence in this Agreement.

16. **Waiver**. The waiver by either party of a breach of any provision of this Agreement shall not be deemed a waiver of any subsequent breach whether of the same or another provision of this Agreement.

17. **Counterparts**. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

18. **Successors and Assigns**. This Agreement shall binding upon, and inure to the benefit of, the parties hereto and their respective heirs, administrators, executors, assigns and successors in interest.

19. **Amendments in Writing**. The provisions of this Agreement may not be amended or altered except by a written instrument duly executed by each of the parties hereto.

20. **Further Assurances**. Each of the parties shall execute such other and further documents and do such further acts as may be reasonably required to effectuate the intent of the parties and carry out the terms of this Agreement.

21. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

THIS AGREEMENT is executed as of the day and year first above written.

NM HOMES ONE, INC., a Delaware corporation

By:
Its:

LAS VIRGENES UNIFIED SCHOOL DISTRICT,
a political subdivision of the State of California

By:
Its: Board President

ATTEST:

By:
Its: Board Secretary