

PERFORMANCE GUARANTEE

[Bond No. 82034331]

BY THIS BOND WE, GOODFOREST, LLC, a Florida limited liability company, as "Principal", with a business address of c/o Forest City /Commercial Group, 50 Public Square, Suite 1000-B, Cleveland, Ohio 44113-2221 Attn: James H. Richardson, Vice President and FEDERAL INSURANCE COMPANY, as "Surety", with a business address of 15 Mountain View Rd., Warren, NJ 07061, are bound to Pasco County, Florida, a political subdivision of the State of Florida, by and through its Board of County Commissioners (the "County"), in the sum of Twenty Million Five Hundred Seventy Nine Thousand Forty and 53/100 Dollars (\$20,579,040.53), for the payment of which we bind ourselves, our heirs, personal representatives, successors and assigns, jointly and severally, firmly by these presents:

WHEREAS, Locust Branch, LLC, a Florida limited liability company, with a registered business address of 201 N. Franklin St. Suite 2000, Tampa, Florida 33602 and Meadow Pointe IV Community Development District, a local unit of Florida special purpose government, with a mailing address of Rizzetta & Company, Inc. 3434 Colwell Ave., Suite 200, Tampa, Florida 33614 (collectively, herein "Applicants") have obtained from the County a Class II Commercial Review-SR 56 Preliminary Construction Plan Approval, No. PMA08-105 which includes all documents, agreements, obligations, covenants and conditions and the like referenced therein, as revised on February 14, 2008, (herein "Plan Approval") for Right-of-Way Improvements contemplated within the Plan Approval (herein "Right-of-Way Improvements") within Pasco County; and

WHEREAS, in conjunction with the Plan Approval, the Applicants have entered into or will enter into certain other agreements with the County, including, without limitation, the Construction Escrow Agreement (collectively, the "Agreements"); and

WHEREAS, the Plan Approval and the Agreements are collectively, referred to herein as the "Permit"; and

WHEREAS, as a condition of the approval of the Permit by the County, the Applicants are required to fund and complete construction of the Right-of-Way Improvements delineated in the Permit. The County has approved the County approved cost estimate dated _____, 2008 in connection with the Right-of-Way Improvements setting forth the costs to be used for the purposes of this Performance Guarantee as specified in the Permit; and

WHEREAS, Principal is in the process of developing a project in Pasco County Florida which will be served by the Right-of-Way Improvements to be constructed pursuant to the Permit, and desires to expedite construction of the Right-of-Way Improvements by providing this Performance Guaranty to the County; and

WHEREAS, the County is the obligee of this bond; and

WHEREAS, the Meadow Pointe IV Community Development District is a dual obligee of this bond and is strictly subject to the conditions of the attached Dual Obligee Rider.

NOW, THEREFORE, THE CONDITION OF THIS BOND is such that:

a. If Locust Branch shall comply with all covenants and undertakings set forth in the Permit, and in all respects comply with all applicable federal and state laws and County ordinances, codes, regulations, terms and conditions pertaining to the approval of the Permit, these conditions being more specifically the completion of construction of all required, approved, and/or dedicated streets, roads, drainage, and any other items contemplated in the Permit as Right-of-Way Improvements; and

b. If Locust Branch shall perform its obligations under the Permit and complete the construction of all Right-of-Way Improvements within the times specified in the Permit, unless a different time for completion has been agreed to by the County (the "Completion Period"); and

c. If Applicants shall submit a written request for an inspection of all Right-of-Way Improvements to the Pasco County Engineering Inspections Division at least fifteen (15) days prior to the termination of the Completion Period; and

d. If Applicants shall submit an appropriate maintenance guarantee as required by the Permit; and

e. If the County Administrator, or his designee, issues a certificate of completion for the Right-of-Way Improvements and the Board of County Commissioners releases this bond, then this obligation shall be void. Otherwise, the bond shall remain in full force and effect.

Said Surety, for value received, hereby stipulates and agrees that no change involving an extension of time, alterations, or additions to the terms of the Right-of-Way Improvements to be made hereunder; or in the plans, specifications and schedules covering the same; shall in any way affect the obligation of the said Surety on this bond, and the Surety does hereby waive notice of any such changes.

The County and Meadow Point IV Community Development District each hereby agree that if a claim is made on this bond that all amounts held in escrow or which are required to be put into escrow pursuant to the Construction Escrow Agreement shall be made available for completion of the Right of Way Improvements in accordance with the terms of such Agreements.

IT IS FURTHER understood that in the event the County institute legal proceedings in order to collect any funds under this bond, venue shall be exclusively in Pasco County, Florida, and Principal shall indemnify the County for any and all attorney's fees and court costs incurred by the County.

A Dual Obligee Rider referring to bond no. 82034331 is attached hereto and made a part hereof.

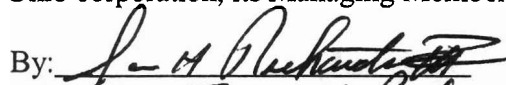
IN WITNESS WHEREOF, the Principal and the Surety have caused these presents to be duly executed on this 9th day of June, 2008.

PRINCIPAL:

GOODFOREST, LLC , a Florida limited liability company

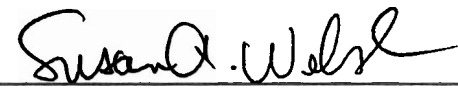
By: Forest City Wiregrass, LLC, a Florida limited liability company, its Administrative Member and Managing Member

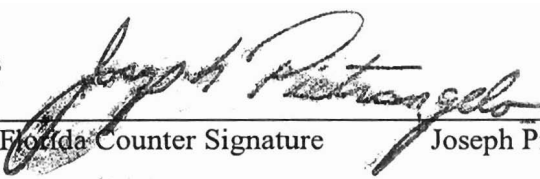
By: Forest City Commercial Group, Inc., an Ohio corporation, its Managing Member

By: 
Printed Name: James H. Richardson III
As its: V.P.

(SEAL)

SURETY: FEDERAL INSURANCE COMPANY

BY: 
Authorized Signature
Printed Name: Susan A. Welsh
Title: Attorney-in-Fact


Florida Counter Signature Joseph Pietrangelo

STATE OF Florida
COUNTY OF Pasco

The foregoing instrument was acknowledged before me this 10 day of June, 2008, by Jim Richardson as Vice President of FOREST CITY COMMERCIAL GROUP, INC., an Ohio Corporation, as Managing Member of FOREST CITY WIREGRASS, LLC, a Florida limited liability company, as Administrative Member and Managing Member of GOODFOREST LLC, a Florida limited liability company, on behalf of the company. He/she is personally known to me or has produced ~~Ohio Drivers~~ License as identification.

Rita M. Welch
NOTARY PUBLIC-STATE OF Florida
Printed Name: Rita M. Welch
My commission expires: 9-9-11



[SURETY]

STATE OF IL
COUNTY OF Cook

The foregoing instrument was acknowledged before me this 9th day of June, 2008, by Susan A. Welsh as Attorney-in-Fact of FEDERAL INSURANCE COMPANY, a Corporation on behalf of the company. He/she is personally known to me or has produced license as identification.

Brian O'Leary
NOTARY PUBLIC-STATE OF IL
Printed Name: Brian O'Leary
My commission expires: 2/28/09

**Any expiration date must be at least six (6) months after the completion period





**Chubb
Surety**

**POWER
OF
ATTORNEY**

**Federal Insurance Company
Vigilant Insurance Company
Pacific Indemnity Company**

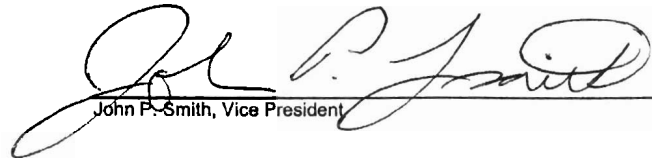
**Attn: Surety Department
15 Mountain View Road
Warren, NJ 07059**

Know All by These Presents, That **FEDERAL INSURANCE COMPANY**, an Indiana corporation, **VIGILANT INSURANCE COMPANY**, a New York corporation, and **PACIFIC INDEMNITY COMPANY**, a Wisconsin corporation, do each hereby constitute and appoint **James A. Cuthbertson, Karen Daniel, Robert E. Duncan, Geoffrey E. Heekin, Linda Iser, Jennifer L. Jakaitis, Kathleen J. Mailes, Sandra Martinez, Susan J. Preiksa, Patricia Thurmond and Susan A. Welsh** of Chicago, Illinois -----

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said **FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY** have each executed and attested these presents and affixed their corporate seals on this 12th. day of **September, 2005**


Kenneth C. Wendel, Assistant Secretary



John P. Smith, Vice President

STATE OF NEW JERSEY
County of Somerset ss.

On this 12th. day of **September, 2005** before me, a Notary Public of New Jersey, personally came Kenneth C. Wendel, to me known to be Assistant Secretary of **FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY**, the companies which executed the foregoing Power of Attorney, and the said Kenneth C. Wendel, being by me duly sworn, did depose and say that he is Assistant Secretary of **FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY** and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By-Laws of said Companies; and that he signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that he is acquainted with John P. Smith, and knows him to be Vice President of said Companies; and that the signature of John P. Smith, subscribed to said Power of Attorney is in the genuine handwriting of John P. Smith, and was thereto subscribed by authority of said By-Laws and in deponent's presence.



STEPHEN B. BRADT
Notary Public, State of New Jersey
No. 2321097
Commission Expires Oct. 25, 2009


Notary Public

CERTIFICATION

Extract from the By-Laws of **FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY**:

"All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

I, Kenneth C. Wendel, Assistant Secretary of **FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY** (the "Companies") do hereby certify that

- (i) the foregoing extract of the By-Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in Puerto Rico and the U.S. Virgin Islands, and Federal is licensed in American Samoa, Guam, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this 9th day of June 2008.




Kenneth C. Wendel, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903- 3493 Fax (908) 903- 3656 e-mail: surety@chubb.com

FEDERAL INSURANCE COMPANY

STATEMENT OF ASSETS, LIABILITIES AND SURPLUS TO POLICYHOLDERS

Statutory Basis

DECEMBER 31, 2006

(in thousands of dollars)

ASSETS		LIABILITIES AND SURPLUS TO POLICYHOLDERS	
Cash and Short Term Investments	\$ 580,553	Outstanding Losses and Loss Expenses ...	\$ 11,595,150
United States Government, State and Municipal Bonds	12,508,719	Unearned Premiums	3,616,396
Other Bonds	2,869,870	Reinsurance Premiums Payable	449,499
Stocks	1,067,735	Provision for Reinsurance	201,207
Other Invested Assets	<u>1,358,500</u>	Other Liabilities	<u>1,224,072</u>
 TOTAL INVESTMENTS	 <u>18,385,377</u>	 TOTAL LIABILITIES	 <u>17,086,324</u>
 Investments in Affiliates:			
Chubb Investment Holdings, Inc.	2,235,569	Capital Stock	20,980
Pacific Indemnity Company	1,608,062	Paid - In Surplus	3,106,790
Chubb Insurance Company of Europe ..	873,008	Unassigned Funds	<u>8,148,977</u>
Executive Risk Indemnity Inc.	810,146		
CC Canada Holdings Ltd.	461,798		
Great Northern Insurance Company ..	351,273	SURPLUS TO POLICYHOLDERS	<u>11,278,747</u>
Chubb Insurance Company of Australia ..	159,837		
Vigilant Insurance Company	138,358		
Other Affiliates	220,451		
Premiums Receivable	1,626,163		
Other Assets	<u>1,493,029</u>		
 TOTAL ADMITTED ASSETS	 <u>\$ 28,363,071</u>	 TOTAL LIABILITIES AND SURPLUS TO POLICYHOLDERS	 <u>\$ 28,363,071</u>

Investments are valued in accordance with requirements of the National Association of Insurance Commissioners.
Investments valued at \$454,144,605 are deposited with government authorities as required by law.

State, County & City of New York, - ss:

Yvonne Baker, Assistant Secretary of the Federal Insurance Company being
duty sworn, deposes and says that the foregoing Statement of Assets, Liabilities and Surplus to Policyholders of said Federal
Insurance Company on December 31, 2006 is true and correct and is a true abstract of the Annual Statement of said
Company as filed with the Secretary of the Treasury of the United States for the 12 months ending December 31, 2006.

Subscribed and sworn to before me
this

Yvonne Baker

Assistant Secretary

Dorothy Baker
Notary Public

DOROTHY M. BAKER
Notary Public, State of New York
No. 31-9904994
Qualified in New York County
Commission Expires Sept. 14, 2009