

## ATTACHMENT 8

### GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT (this “Guaranty”) dated as of December \_\_\_\_\_, 2003, is made jointly and severally by LENNAR CORPORATION, a Delaware corporation (“Lennar Corporation”), and LNR PROPERTY CORPORATION, a Delaware corporation (“LNR Property Corporation”) (Lennar Corporation and LNR Property Corporation are collectively and individually referred to herein as “Guarantor”), to and for the benefit of the REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO (the “Agency”). Unless otherwise defined in this Agreement, all initially capitalized terms used in this Agreement shall have the meanings given to them in the DDA (as described in Paragraph A of the Recitals, below).

THIS GUARANTY is made with reference to the following facts and circumstances:

A. The Agency and Lennar/BVHP, LLC, a California limited liability company doing business as Lennar/BVHP Partners (the “Developer” and the “Obligor”), are entering into a Disposition and Development Agreement for Hunters Point, Phase 1 (including all Attachments thereto, and as amended from time to time, the “DDA”).

B. Guarantor will derive material financial benefit from the DDA. As an essential inducement for the Agency to enter into the DDA, the Guarantor is entering into this Guaranty, under which Guarantor agrees to guaranty payment and performance of Developer’s obligations under the DDA.

ACCORDINGLY, in consideration of the matters described in the above Recitals, and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the Guarantor agrees as follows:

#### 1. Guaranty

1.1 Guaranty of Obligations. Guarantor unconditionally and irrevocably guarantees to the Agency the due and punctual payment (and not merely the collectibility) and performance of the Guaranteed Obligations (as defined in Section 1.2 below), as and when the same shall become due and/or payable, on the terms provided in this Guaranty. In addition, Guarantor shall pay, and upon the Agency’s request shall promptly reimburse the Agency for, all costs and expenses (including, without limitation, collection charges and Attorneys’ Fees and Costs, as defined in Section 8.8 below) incurred by the Agency (collectively, the “Reimbursement Amount”) in connection with the enforcement of the Agency’s rights, powers, or remedies under this Guaranty, whether or not suit is brought. Any delinquent payment for the Guaranteed Obligations and the Reimbursement Amount shall be accompanied by interest on such amounts at the lesser of ten percent (10%) per annum or the maximum amount permitted by law, from the date due through and including the date of payment of such amounts (calculated on the basis of a 365-day year for the actual number of days elapsed). Guarantor’s guaranty of payment of the Guaranteed Obligations shall be discharged and satisfied only as provided in Section 6 relating to termination of this Guaranty.

1.2 Definition of Guaranteed Obligations. For purposes of this Guaranty, “Guaranteed Obligations” shall mean all of the obligations of Developer under the DDA, including all Attachments thereto.

1.3 Acknowledgments by Guarantor. Guarantor acknowledges, confirms, and agrees that: (a) it has received fair and adequate consideration for its execution of this Guaranty; (b) it will derive material financial benefit from the Agency’s execution of the DDA; (c) the Agency’s agreement to enter into the DDA and take the actions required in connection with the DDA are in consideration of, and in reliance upon, the Guarantor’s execution and delivery of this Guaranty; and (d) there are no conditions to the full effectiveness of this Guaranty other than those expressly set forth in this Guaranty.

1.4 Independent Obligations; Continuing Guaranty. This Guaranty is a primary and original obligation of Guarantor and is an absolute, unconditional, continuing and irrevocable guaranty of payment and of performance.

## 2. Indemnity

2.1 Indemnity. Guarantor agrees to indemnify, defend and hold the Agency, the City and County of San Francisco (the “City”) and their respective commissioners, supervisors, officers, agents, employees, attorneys, contractors and lenders (collectively, the “Indemnified Parties”) harmless from and against any and all liabilities, losses, damages, liens, obligations, interest, injuries, penalties, fines, lawsuits or other proceeding, judgments and awards and costs of any kind or nature whatsoever (including, without limitation, Attorneys’ Fees and Costs as defined in Section 8.8) arising from any investigative, administrative or judicial proceeding, that may be imposed on, incurred by or asserted against any such Indemnified Party, in any manner relating to or arising out of or in connection with the payment or enforcement of this Guaranty (collectively, the “Indemnified Liabilities”). Guarantor agrees to defend the Indemnified Parties against any claims that are actually or potentially within the scope of the indemnity provisions of this instrument, even if such claims may be groundless, fraudulent or false.

2.2 Notice. Each Indemnified Party agrees to give prompt notice to Guarantor with respect to any suit or claim initiated or threatened against the Indemnified Party, at the address for notices of Guarantor set forth in this Guaranty, and in no event later than the earlier of (a) ten (10) days after valid service of process as to any suit or (b) fifteen (15) days after receiving written notification of the filing of such suit or the assertion of such claim, which the Indemnified Party has reason to believe is likely to give rise to a claim for indemnity hereunder. If prompt notice is not given to Guarantor, then Guarantor’s liability hereunder shall nevertheless continue, except to the extent, and only to the extent, Guarantor can show that failure to give timely notice prejudiced the Guarantor. The Guarantor shall, at its option but subject to the reasonable consent and approval of the Indemnified Party, be entitled to control the defense, compromise or settlement of any such matter through counsel of the Guarantor’s own choice; provided, however, that in all cases the Indemnified Party shall be entitled to participate in such defense, compromise, or settlement at its own expense, and no such settlement shall result in any liability of, or continuing obligations imposed on, any Indemnified Party. If the Guarantor shall fail, however, in the Indemnified Party’s reasonable judgment, within a reasonable time following notice from the Indemnified Party alleging such failure, to take reasonable and appropriate action to defend, compromise or settle such suit or claim, the Indemnified Party shall

have the right promptly to hire counsel at the Guarantor's sole expense to carry out such defense, compromise or settlement, which expense shall be immediately due and payable to the Indemnified Party upon receipt by the Guarantor of a properly detailed invoice therefor.

### 3. Waivers by Guarantor

3.1 Waivers. Guarantor hereby waives: (a) notice of acceptance of this Guaranty; (b) demand of payment, notice of nonperformance, notice of dishonor, presentation, protest, and indulgences and notices of any kind whatsoever; (c) all right to assert or plead any statute of limitations relating to this Guaranty and the DDA (and Guarantor agrees that any act which shall toll any statute of limitations applicable to the DDA shall similarly operate to toll the statute of limitations applicable to Guarantor's liability hereunder); (d) any right to require the Agency to proceed against Developer or any other person or entity liable to the Agency; (e) any right to require the Agency to pursue any other remedy the Agency may have before proceeding against Guarantor; (f) any right to require the Agency to apply to any default any letter of credit or other security it may hold under the DDA; (g) any right of subrogation and any right to enforce any remedy which the Agency now has or may later have against Developer; (h) any and all right to participate in any letter of credit or other security now or later held by the Agency; and (i) any defense that may arise by the reason of (1) the incapacity, lack of authority, death, disability or other defense of Developer or any other guarantor, (2) the revocation or repudiation of this Guaranty by Guarantor, (3) failure of the Agency to file or enforce a claim against the estate (either in administration, bankruptcy or any other proceeding) of Developer or any others, (4) any election by the Agency in any proceeding instituted under the federal Bankruptcy Code, (5) any borrowing or granting of a security interest under Section 364 of the federal Bankruptcy Code, (6) the Agency's election of any remedy against Guarantor or Developer or both, (7) the Agency's taking, modification, or releasing of any collateral or guaranties, or any failure to perfect any security interest in, or the taking of or failure to perfect any other action with respect to any collateral securing performance of Developer's obligations under the DDA, or (8) any offset by Guarantor against any obligation now or later owed to Guarantor by Developer, it being the intention of this Guaranty that Guarantor remain liable to the full extent set forth in this Guaranty until the full performance by Developer of each and every term, condition and covenant of the DDA to be performed by Developer, notwithstanding any act, omission or thing which might otherwise operate as a legal or equitable discharge of Guarantor. Without limiting the generality of the foregoing, Guarantor expressly waives any and all benefits under California Civil Code Sections 2809, 2810, 2819, 2839, 2845, 2846, 2849, 2850, 2855, 2899 and 3433.

3.2 Waiver of Subrogation. Upon satisfaction in full of all of the Guaranteed Obligations, Guarantor shall be subrogated to the rights of the Agency against the Obligor with respect to the Guaranteed Obligations, and the Agency agrees to take such steps as Guarantor may reasonably request to implement such subrogation (provided Guarantor shall pay the Agency Transaction Costs incurred with respect thereto pursuant to the DDA and that the Agency shall not incur any liabilities in taking any such steps).

### 4. Consents by Guarantor

4.1 Consents; No Discharge of Obligations. Without releasing, discharging, impairing, or otherwise affecting any obligations of Guarantor under this Guaranty or the validity or enforceability of this Guaranty, the Agency may, by action or inaction, in its sole, absolute

and unlimited discretion and without notice to Guarantor: compromise, settle, extend the time for payment or performance of all or any part of the Guaranteed Obligations; refuse or fail to enforce all or any portion of the Agency's rights, powers or remedies under any of the documents; and deal in all respects with Guarantor as if this Guaranty were not in effect. It is the intent of the parties that Guarantor shall remain liable for the payment and performance of the Guaranteed Obligations and all other obligations guaranteed hereby, notwithstanding any act or thing that might otherwise operate as a legal or equitable discharge of a surety.

4.2 Payments to Other Persons. The Agency shall be under no obligation to marshal any assets in favor of the Guarantor or against, or in payment or performance of, any or all of the Guaranteed Obligations. If all or any part of any payment to or for the benefit of the Agency in respect of the Guaranteed Obligations shall be invalidated, declared to be fraudulent or preferential, set aside, or required for any reason to be repaid or paid over to a trustee, receiver or other person (a "trustee") under any insolvency law or any other law or rule of equity (collectively, "set aside"), to the extent of that payment or repayment, the Guaranteed Obligations (or the part thereof) intended to have been satisfied shall be revived and continued in full force and effect as if that payment had not been made, and Guarantor shall be primarily and jointly and severally liable for that obligation, provided that nothing hereunder shall preclude the Guarantor from obtaining a refund from a trustee.

4.3 Additional Rights. This Guaranty is in addition to, and not in substitution for or in reduction of, any other guaranty by Guarantor or any obligation of Guarantor under any other agreement or applicable law that may now or hereafter exist in favor of the Agency. The liability of Guarantor under this Guaranty shall not be contingent upon the enforcement of any lien or realization upon the security, if any, the Agency may at any time possess with respect to the Guaranteed Obligations.

4.4 Recourse. The Agency shall have the right to seek recourse against Guarantor to the full extent provided for in this Guaranty, which right shall be absolute and shall not in any way be impaired, deferred, or otherwise diminished by reason of any inability of the Agency to claim any amount of such Guaranteed Obligation from Guarantor or Obligor as a result of bankruptcy or otherwise, including, but not limited to, any limitation on the Agency's claim from Guarantor or Obligor under §502(b)(6) of the United States Bankruptcy Code, as amended (11 U.S.C. §502(b)(6)). No election to proceed in one form of action or proceeding, or against any person, or on any obligation, shall constitute a waiver of the Agency's right to proceed in any form of action or proceeding or against other persons unless the Agency has expressly waived that right in writing.

## 5. Representations and Warranties of Guarantor

5.1 Representations and Warranties. Each Guarantor represents, warrants and covenants that it has full power and authority to execute, deliver and perform its obligations under this Guaranty, and that execution, delivery, and performance has been duly authorized by all requisite action on its part.

5.2 Independent Investigation. Each Guarantor has performed its own independent investigation as to the matters covered by this Guaranty.

6. Termination of Guaranty

Guarantor's liability under this Guaranty shall be discharged and satisfied, and Guarantor shall be relieved of any and all further obligations under this Guaranty, upon the later of (a) termination of the DDA and (b) the full performance by Developer of each and every term, condition and covenant of the DDA to be performed by Developer, together with any and all other amounts payable by Guarantor under this Guaranty (including any Reimbursement Amounts); provided that, no such event shall result in termination of this Guaranty unless and until the expiration of any further period within which a trustee or other similar official in an action under any insolvency law may avoid, rescind, or set aside any payment of any of the Guaranteed Obligations. Upon Guarantor's request the Agency will confirm in writing the fact of termination of this Guaranty if this Guaranty has terminated.

7. Notices

A notice or communication under this Guaranty by either party to the other shall be sufficiently given or delivered if dispatched by hand or by registered or certified mail, postage prepaid, addressed as follows:

- (i) In the case of a notice or communication to the Agency:

San Francisco Redevelopment Agency  
770 Golden Gate Avenue  
San Francisco, California 94102-3102  
Attn: Executive Director  
Facsimile: (415) 749-2575

with a copy to:

San Francisco Redevelopment Agency  
770 Golden Gate Avenue  
San Francisco, California 94102-3102  
Attn: Legal Division  
Facsimile: (415) 749-2575

(ii) And in the case of a notice or communication sent to Guarantor:

c/o Lennar Partners  
18401 Von Karman, Suite 540  
Irvine, California 92612  
Attn: Hunters Point Asset Manager  
Facsimile: (949) 442-6175

And to:

c/o Lennar Partners  
18401 Von Karman, Suite 540  
Irvine, California 92612  
Attn: General Counsel  
Facsimile: (949) 442-6175

For the convenience of the parties, copies of notice may also be given by facsimile.

Every notice given to a party hereto, pursuant to the terms of this Agreement, must state (or must be accompanied by a cover letter that states) substantially the following:

- (a) the Section of this Agreement pursuant to which the notice is given and the action or response required, if any;
- (b) if applicable, the period of time within which the recipient of the notice must respond thereto;
- (c) if approval is being requested, shall be clearly marked "Request for Approval under the Hunters Point Guaranty Agreement"; and
- (d) if a notice of a disapproval or an objection which requires reasonableness, shall specify with particularity the reasons therefor.

Any mailing address or facsimile number may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Guaranty shall be deemed given, received, made or communicated on the date personal receipt actually occurs or, if mailed, on the delivery date or attempted delivery date shown on the return receipt. A party may not give official or binding notice by facsimile. The effective time of a notice shall not be affected by the receipt, prior to receipt of the original, of a facsimile copy of the notice.

## 8. General Provisions

8.1 Successors and Assigns. This Guaranty shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns.

8.2 Amendments. This Guaranty may be amended or modified only by a written instrument executed by the Agency and Guarantor.

8.3 Waivers. No action taken pursuant to this Guaranty by the Agency shall be deemed to be a waiver by that party of the Guarantor's compliance with any of the provisions

hereof. No waiver by the Agency of any breach of any provision of this Guaranty shall be construed as a waiver of any subsequent or different breach. No forbearance by the Agency to seek a remedy for noncompliance hereunder or breach by the Guarantor shall be construed as a waiver of any right or remedy with respect to such noncompliance or breach.

8.4 Continuation and Survival of Covenants. All covenants by Guarantor contained herein shall be deemed to be material and shall survive any termination of the DDA or portion thereof if the obligations thereunder have arisen and are not satisfied before such date.

8.5 Governing Law; Selection of Forum. This Guaranty shall be governed by and construed in accordance with the laws of the State of California. As part of the consideration for the DDA, the Guarantor agrees that all actions or proceedings arising directly or indirectly under this Guaranty may, at the sole option of the Agency, be litigated in courts located within the State of California, and the Guarantor expressly consents to the jurisdiction of any such local, state or federal court, and consents that any service of process in such action or proceeding may be made by personal service upon the Guarantor wherever the Guarantor may then be located, or by certified or registered mail directed to the Guarantor at the address set forth in this Guaranty for the delivery of notices.

8.6 Merger of Prior Agreements. The parties intend that this Guaranty and the DDA shall be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous oral or written agreements or understandings. The parties further intend that this Guaranty shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including, without limitation, prior drafts or changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Guaranty.

8.7 Interpretation of Guaranty. Unless otherwise specified, whenever in this Guaranty reference is made to any Section, or any defined term, the reference shall be deemed to refer to the Section or defined term of this Guaranty. Any reference to a Section includes all subsections and subparagraphs of that Section. The use in this Guaranty of the words “including,” “such as” or words of similar import when following any general term, statement or matter shall not be construed to limit such statement, term or matter to the specific items or matters, whether or not language of non-limitation, such as “without limitation” or “but not limited to,” or words of similar import, is used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter. In the event of a conflict between the Recitals and the remaining provisions of the Guaranty, the remaining provisions shall prevail. Any titles of the several parts and sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions. The terms “Paragraph” and “Section” may be used interchangeably. The masculine, feminine or neutral gender and the singular and plural forms include the others whenever the context requires. Defined terms and variants thereof shall have the same definition. References to days, months and years mean calendar days, months and years unless otherwise specified. References to any law, specifically or generally, will mean the law as amended, supplemented or superseded from time to time. The provisions of this Guaranty shall be construed as a whole according to their common meaning and not strictly for or against either party in order to achieve the objectives and purposes of the parties, regardless of which party drafted this Guaranty.

8.8 Attorneys' Fees and Costs. Should any party institute any action or proceeding in court to enforce any provision hereof or for damages by reason of an alleged breach of any provision of this Guaranty, the prevailing party shall be entitled to receive from the losing party court costs or expenses incurred by the prevailing party including, without limitation, expert witness fees and costs, travel time and associated costs; transcript preparation fees and costs; document copying expenses; exhibit preparation costs; carrier expenses and postage and communications expenses; such amount as a court or other decision maker may adjudge to be reasonable attorneys' fees for the services rendered to the prevailing party in such action or proceeding; fees and costs associated with execution upon any judgment or order; and costs on appeal and any collection efforts (the "Attorneys' Fees and Costs"). For purposes of this Guaranty, the Attorneys' Fees and Costs shall include the fees and costs of in-house counsel for the City, the Agency and the Guarantor based on the fees regularly charged by private attorneys with the equivalent number of years of professional experience in the subject matter area of the law for which the City's, the Agency's or Guarantor's in-house counsel's services were rendered who practice in the City and County of San Francisco in law firms with approximately the same number of attorneys as employed by the City, the Agency or Guarantor.

8.9 Severability. Invalidation of any provision of this Guaranty, or of its application to any person, by judgment or court order, shall not affect any other provision of this Guaranty or its application to any other person or circumstance, and the remaining portions of this Guaranty shall continue in full force and effect, unless enforcement of this Guaranty as invalidated would be unreasonable or grossly inequitable under all the circumstances or would frustrate the purposes of this Guaranty.

8.10 Liability and Tangible Net Worth. The Guaranteed Obligations due and payable hereunder shall be paid on a pro-rata basis by Lennar Corporation and LNR Property Corporation (i.e., Lennar Corporation and LNR Property Corporation will each pay Fifty Cents (\$.50) of every One Dollar (\$1.00)). If at any time during the period this Guaranty is in effect, the aggregate Tangible Net Worth of Lennar Corporation and LNR Property Corporation falls below Four Hundred Million Dollars (\$400,000,000.00), then Guarantor shall notify the Agency as soon as reasonably practicable. Within ten (10) days after delivery of such notice, Guarantor shall provide the Agency with an additional or substitute guaranty in favor of the Agency (in the form of the Guaranty) from a person or entity reasonably acceptable to the Agency having, in the aggregate with all other Guarantors, a Tangible Net Worth of at least Four Hundred Million Dollars (\$400,000,000.00). Further, if at any time during the period this Guaranty is in effect, the Tangible Net Worth of either Lennar Corporation or LNR Property Corporation falls below Two Hundred Million Dollars (\$200,000,000.00), then the relevant entity shall notify the Agency as soon as reasonably practicable. Within ten (10) days after delivery of such notice, the relevant entity shall provide the Agency with an additional or substitute guaranty in favor of the Agency (in the form of the Guaranty) from a person or entity reasonably acceptable to the Agency having, in the aggregate with the relevant entity, a Tangible Net Worth of at least Two Hundred Million Dollars (\$200,000,000.00). Failure to give such notice shall not relieve Guarantor of its obligations hereunder, and failure to provide the additional guaranty(s) required will be a default hereunder. In the event of such default, among the Agency's other legal and equitable remedies, the Agency may require the Guarantor in default to deposit with the Agency an irrevocable, unconditional letter of credit in form and substance, and issued by a financial institution, reasonably satisfactory to the Agency, in the amount of fifty percent (50%) of the then cost to complete the Infrastructure as shown in the then most recent Approved Budget, plus ten percent

(10%) of such amount. The letter of credit will be in effect until the Infrastructure is completed and all costs relating thereto have been paid. The amount of the letter of credit may be reduced from time to time, as agreed upon between Guarantor and the Agency, as the cost to complete declines. The Agency's sole remedy for Guarantor's failure to deposit the letter of credit will be to require Developer to specifically perform, not to seek damages attributable to such failure. However, this limitation on remedies shall apply only to Guarantor's failure to deposit the letter of credit, not to the Agency's rights to enforce the Guaranteed Obligations generally. As used herein: (a) "Tangible Net Worth" means the total assets of Guarantor minus any amounts attributable to (i) goodwill, (ii) intangible items such as unamortized debt discount and expense, patents, trade and service marks and names, copyrights and research and development expenses except prepaid expenses, (iii) reserves not already deducted from assets and (iv) obligations that should, under GAAP, be classified as liabilities on Guarantor's balance sheet, including all indebtedness; and (b) "Lennar Corporation" and "LNR Property Corporation" includes their successors and assigns. No failure or inability of Lennar Corporation or LNR Property Corporation to pay any or all of its portion of the Guaranteed Obligations hereunder shall relieve the other entity of its obligations under this Guaranty.

8.11 Counterparts. This Guaranty may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Guarantor, being duly authorized, has executed and delivered this Guaranty as of the date first written above.

GUARANTOR

LENNAR CORPORATION,  
a Delaware corporation

By \_\_\_\_\_  
Print Name \_\_\_\_\_  
Its \_\_\_\_\_

By \_\_\_\_\_  
Print Name \_\_\_\_\_  
Its \_\_\_\_\_

LNR PROPERTY CORPORATION,  
a Delaware corporation

By \_\_\_\_\_  
Print Name \_\_\_\_\_  
Its \_\_\_\_\_

By \_\_\_\_\_  
Print Name \_\_\_\_\_  
Its \_\_\_\_\_

[Signatures continue]

ACCEPTED AND AGREED:

Authorized by Agency Resolution  
No. \_\_\_\_\_, adopted \_\_\_\_\_, \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
James Morales,  
Agency General Counsel

AGENCY:  
Redevelopment Agency of the City and  
County of San Francisco

By: \_\_\_\_\_  
[Executive Director]

By: \_\_\_\_\_  
[Secretary]