

## **INTERIM FUNDING AGREEMENT**

This Interim Funding Agreement (the “Agreement”) is made and entered into this \_\_\_\_\_ day of September, 2011, by and among (i) Lehman Commercial Paper, Inc. (“LCPI”), as Administrative Agent for the First Lien Lenders (as defined below), (ii) Fidelity National Title Insurance Company (“Fidelity”) and First American Title Insurance Company (“First American”), and (iii) Alfred H. Siegel, solely in his capacity as the SunCal Trustee (as defined below and, together with LCPI, Fidelity, and First American, the “Parties”).

### **RECITALS**

WHEREAS, LCPI is (or was) the Administrative Agent on three syndicated loans (referred to below as the “First Lien Loan,” the “Second Lien Loan” and the “Third Lien Loan” and collectively as the “Loans”) made to LBREP/L-SunCal Master I LLC (the “Parent”) to finance (among other things) certain real estate development projects in Southern California known as “McAllister Ranch,” “McSweeny Farms” and “Summerwind Ranch” (collectively, the “Projects”); and

WHEREAS, LCPI also participated in each of those syndicated loans as a lender; and

WHEREAS, a different single-purpose entity held title to each of the Projects until about May 23, 2011<sup>1</sup>: LBREP/L-SunCal McAllister Ranch LLC held title to McAllister Ranch; LBREP/L-SunCal McSweeny Farms LLC held title to McSweeny Farms; and LBREP/L-SunCal Summerwind Ranch LLC held title to Summerwind Ranch<sup>2</sup>; and

WHEREAS, the Owners are wholly owned subsidiaries of the Parent; and

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<sup>1</sup> By its April, 22, 2011 Order Approving and Authorizing Sale of the Debtors’ Real Property in Connection With the Chapter 11 Trustee’s Second Amended Chapter 11 Plan (Dated April 21, 2011) (the “Sale Order”), the SunCal Bankruptcy Court (as defined below) authorized the sale of each Project to PVCO Land Holdings, LLC. Each sale was consummated by May 23, 2011.

<sup>2</sup> These three single-purpose entities shall each be referred to herein as an “Owner” and collectively shall be referred to herein as the “Owners.”

WHEREAS, the Parent and the Owners are debtors in the jointly administered Chapter 11 bankruptcy cases styled In re LBREP/L-SunCal Master I, LLC, et al., pending in the United States Bankruptcy Court for the Central District of California (the “SunCal Bankruptcy Court”) and jointly administered under the lead Case No. 8:08-bk-15588-ES (the “SunCal Master Bankruptcy”); and

WHEREAS, Alfred H. Siegel was the duly appointed Chapter 11 trustee in the SunCal Master Bankruptcy; and

WHEREAS, LCPI is a debtor in the jointly administered Chapter 11 bankruptcy cases styled In re Lehman Brothers Holdings Inc., et al., pending in the United States Bankruptcy Court for the Southern District of New York (the “LCPI Bankruptcy Court”) and jointly administered under the lead Case No. 08-13555 (JMP) (the “Lehman Bankruptcy”); and

WHEREAS, the First Lien Loan, in the amount of \$235 million, closed escrow on January 19, 2006, and the Owners guaranteed the Parent’s repayment of the First Lien Loan and offered their respective Projects as security for their guarantees, with each Owner executing a deed of trust in favor of LCPI as security for the Owner’s guaranty of the Parent’s repayment of the First Lien Loan (“First Deeds of Trust”)<sup>3</sup>; and

WHEREAS, the Second Lien Loan, in the amount of \$85 million, also closed escrow on January 19, 2006, and the Owners guaranteed the Parent’s repayment of the Second Lien Loan and offered their respective Projects as security for their guarantees, with each Owner executing a separate deed of trust in favor of LCPI as security for the Owner’s guarantee of the Parent’s repayment of the Second Lien Loan (“Second Deeds of Trust”); and

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<sup>3</sup> The lenders that are current or future holders of and parties to the First Lien Loan collectively shall be referred to herein as the “First Lien Lenders.”

WHEREAS, the Third Lien Loan, in the amount of \$75 million, closed escrow on February 6, 2007, and the Owners guaranteed the Parent's repayment of the Third Lien Loan and offered their respective Projects as security for their guarantees, with each Owner executing a separate deed of trust in favor of LCPI as security for the Owner's guarantee of the Parent's repayment of the Third Lien Loan ("Third Deeds of Trust"); and

WHEREAS, Fidelity issued a 1970 form ALTA Loan Policy (10-17-70 and 10-17-84) No. 27-44-94-120334 (the "First Loan Policy"), dated January 19, 2006, naming as insured LCPI and its successors and/or assigns as their interests may appear, with policy limits of \$235 million, insuring the senior priority of the First Deeds of Trust, subject to the provisions of the First Loan Policy; and

WHEREAS, Fidelity issued a 1970 form ALTA Loan Policy (10-17-70 and 10-17-84) No. 27-44-94-120335 (the "Second Loan Policy"), dated January 19, 2006, naming as insured LCPI and its successors and/or assigns as their interests may appear, with policy limits of \$85 million, insuring that the Second Deeds of Trust were recorded junior only to the First Deeds of Trust, subject to the provisions of the Second Loan Policy; and

WHEREAS, Fidelity issued three separate 1992 form ALTA Loan Policies, Nos. CAFNT0925-0925-0199-0259902517 (McAllister Ranch), CAFNT0925-0925-0199-0259902518 (McSweeny Farms), and CAFNT0925-0925-0199-0259902519 (Summerwind Ranch) (collectively, the "Third Loan Policies" and, together with the First Loan Policy and the Second Loan Policy, the "Policies"), each dated February 9, 2007, naming as insured LCPI, as administrative agent, and its successors and/or assigns as their interests may appear, with policy limits of \$25 million each, insuring that the Third Deeds of Trust<sup>4</sup> were recorded junior only to

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<sup>4</sup> The First Deeds of Trust, the Second Deeds of Trust and the Third Deeds of Trust collectively shall be referred to as the "Insured Deeds of Trust."

the First Deeds of Trust and the Second Deeds of Trust, subject to the provisions of the Third Loan Policies; and

WHEREAS, subsequent to the closing of the First Lien Loan and the Second Lien Loan, LBREP/L-SunCal Summerwind Ranch LLC acquired additional property (the “Summerwind Phase II Property”) that would be included in Summerwind Ranch; and

WHEREAS, LBREP/L-SunCal Summerwind Ranch LLC executed Amendment to First Lien Deed of Trust, Security Agreement, Assignment of Leases and Rents, and Fixture Filing (the “Summerwind Amendment”) in connection with its acquisition of the Summerwind Phase II Property; and

WHEREAS, pursuant to the Summerwind Amendment, LBREP/L-SunCal Summerwind Ranch LLC added and incorporated the Summerwind Phase II Property into the First Deed of Trust covering Summerwind Ranch as though the Summerwind Phase II Property was included in the property description appended to the First Deed of Trust covering Summerwind Ranch; and

WHEREAS, LCPI, as Administrative Agent for the First Lien Lenders, asserts that Fidelity issued 1992 ALTA Loan Policy (10-17-92) No. 27-042-92-3657331 (the “Summerwind Supplemental Policy”), dated May 3, 2006, naming as insured LCPI and its successors and/or assigns as their interests may appear, with policy limits of \$235 million, insuring LCPI’s title to the First Deed of Trust covering Summerwind Ranch, as amended by the Summerwind Amendment; and

WHEREAS, First American provided co-insurance with respect to certain of the matters described above; and

WHEREAS, in or about February, 2008, LCPI declared the Parent in default on the Loans and the Owners subsequently failed to complete development of the Projects; and

WHEREAS, after the Owners ceased work on the Projects, numerous contractors recorded mechanics' liens against the Projects totaling more than \$27,000,000.00 (the "Mechanics' Liens"); and

WHEREAS, certain holders of the Mechanics' Liens commenced suit in California seeking either to foreclose on their mechanics' liens, to recover money damages or both (the "Foreclosure Actions"), which Foreclosure Actions have been stayed as the result of the SunCal Master Bankruptcy, except to the extent that the SunCal Bankruptcy Court has granted relief from the stay contained in section 362(a) of the Bankruptcy Code in the SunCal Master Bankruptcy; and

WHEREAS, LCPI, as Administrative Agent for the First Lien Lenders, has tendered claims against the Policies with respect to certain of the Mechanics' Liens (the "ML Claims"), seeking defense and indemnification relative to both the Mechanics' Liens and the Foreclosure Actions; and

WHEREAS, Fidelity and First American are providing a defense to the Foreclosure Actions on behalf of LCPI and the First Lien Lenders with respect to the causes of action asserting priority over the Insured Deeds of Trust, under a comprehensive reservation of rights, but have not made a determination as to any duty to indemnify LCPI, as Administrative Agent for the First Lien Lenders, under the Policies since Fidelity and First American have not completed their investigation of coverage; and

WHEREAS, by virtue of the recording of a certain Memorandum and Agreement to Pay Additional Purchase Price, Oak Valley Partners, LP asserts an interest in Summerwind Ranch (the "Oak Valley Interest") prior in right to the First Deed of Trust on Summerwind Ranch, as amended by the Summerwind Amendment; and

WHEREAS, on or about May 16, 2011, LCPI, as Administrative Agent for the First Lien Lenders, tendered a claim (the “OV Claim”) against the First Loan Policy and the Summerwind Supplemental Policy with respect to the Oak Valley Interest, seeking defense and indemnification relative to the Oak Valley Interest; and

WHEREAS, LCPI’s tender of the OV Claim has been acknowledged by Fidelity; however, Fidelity has not provided a response to the OV Claim because Fidelity has not concluded its preliminary review and analysis of the OV Claim; and

WHEREAS, LCPI or its successor, as Administrative Agent for the First Lien Lenders, may tender claims against the Policies and/or the Summerwind Supplemental Policy in the future with respect to other interests asserted to take priority over the First Deeds of Trust (the “Future Claims”); and

WHEREAS, in connection with implementation and consummation of the confirmed Chapter 11 Trustee’s Second Amended Chapter 11 Plan in the SunCal Master Bankruptcy (the “Confirmed SunCal Plan”), the Parties anticipate active litigation regarding the priority of the Mechanics’ Liens and the Oak Valley Interest relative to the First Deeds of Trust; and

WHEREAS, Alfred H. Siegel is the liquidating trustee of the liquidating trust created on the effective date of the Confirmed SunCal Plan (the “SunCal Trustee”); and

WHEREAS, pursuant and subject to the terms and conditions of the Confirmed SunCal Plan, the order confirming the Confirmed SunCal Plan, and the Sale Order, the SunCal Trustee:

(a) will, subject to approval by the SunCal Bankruptcy Court, establish reserves from the proceeds from the sale of the Projects for the benefit of creditors who have asserted liens against the Projects senior in priority to the First Deeds of Trust (each a “Project Reserve” and collectively the “Project Reserves”) including, without limitation, the Mechanics’ Liens and the Oak Valley Interest, to assure that there are sale proceeds available to pay allowed secured

claims on account of such liens should it ultimately be determined that (i) any such lien is senior to the First Deeds of Trust, and (ii) any such lien is not covered by the First Loan Policy; (b) will seek to obtain approval of the amount of each Project Reserve on a claim-by-claim basis from the SunCal Bankruptcy Court; and (c) will hold each Project Reserve in an interest-bearing account, to the extent consistent with California law, with interest to accrue on the Project Reserve for the benefit of LCPI, provided, however, the SunCal Trustee is not required to hold the Project Reserves in interest-bearing accounts if the entire balance of such interest-bearing accounts would not be fully insured by the FDIC; and

WHEREAS, as part of such lien priority litigation and in recognition of the Project Reserves, LCPI, Fidelity and First American wish to develop a protocol for settlement of the Mechanics' Liens, the OV Interest and the Future Claims (collectively the "Tendered Claims"), subject to a mutual and comprehensive reservation of rights, and to confirm with the SunCal Trustee the terms for disbursement of the Project Reserves.

NOW, THEREFORE, the Parties hereby agree as follows:

1. Subject to the First Loan Policy and the Summerwind Supplemental Policy and except as otherwise provided herein, Fidelity and First American may, in their sole and absolute discretion, settle any and all Tendered Claims (each a "Settlement" and, collectively, the "Settlements"). However, until the disputes between LCPI and Fidelity and First American as to coverage of Tendered Claims under the First Loan Policy and/or the Summerwind Supplemental Policy are resolved by a Final Order,<sup>5</sup> any such Settlement must be reasonably satisfactory to

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<sup>5</sup> "Final Order" means an order of a court of competent jurisdiction as to which the time to appeal, petition for certiorari, or move for reargument or hearing has expired and as to which no appeal, no petition for certiorari, or motion for reargument or rehearing shall then be pending or, in the event that an appeal, writ of certiorari, or reargument or rehearing has been sought, such order shall have been upheld by the highest court to which such order was appealed, or from which certiorari or reargument or rehearing was sought and the time to take any further appeal, petition for certiorari or move for reargument or rehearing shall have expired; provided, however, that timely

LCPI notwithstanding anything to the contrary in the First Loan Policy and/or the Summerwind Supplemental Policy. In the event that the disputes as to coverage of the Tendered Claims under the First Loan Policy and/or the Summerwind Supplemental Policy are decided by a Final Order adverse to LCPI, such that there is no coverage of the Tendered Claims under the First Loan Policy and/or the Summerwind Supplemental Policy, Fidelity and First American shall no longer have either the obligation to defend or the ability to settle any Tendered Claim.

2. To the extent that Fidelity and/or First American expend funds effectuating a Settlement (including, to the extent allowed under the First Loan Policy, the Summerwind Supplemental Policy and/or applicable law, costs and legal fees incurred by Fidelity or First American in LCPI's defense of the Tendered Claim that is the subject of such Settlement) and there is ultimately either: (x) a determination by Final Order that the Tendered Claim related to that Settlement is not covered under the First Loan Policy and/or the Summerwind Supplemental Policy or is otherwise subject to a coverage exclusion ("No Coverage Order"), or (y) a resolution between LCPI, Fidelity and First American regarding their dispute over coverage of the Tendered Claims under the First Loan Policy and/or the Summerwind Supplemental Policy that involves the First Lien Lenders (including among others LCPI) contributing to the payment/settlement of a Tendered Claim ("Coverage Resolution"), then the First Lien Lenders, acting through LCPI as Administrative Agent, shall reimburse (the "Reimbursements") Fidelity and/or First American an amount equal to: (a) in the case of a Tendered Claim subject to a No Coverage Order, all such funds expended by Fidelity and First American to effectuate the Settlement of the Tendered Claim for which the No Coverage Order is applicable, including all reasonable costs and attorneys' fees incurred by Fidelity or First American in LCPI's defense of

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motion under Rule 9024 of the Federal Rules of Bankruptcy Procedure or other analogous federal or state rule of procedure may be filed with respect to such order shall not prevent such order from being a Final Order.



the Tendered Claim that is the subject of such Settlement for which the No Coverage Order is applicable (including, to the extent allowed under the First Loan Policy, the Summerwind Supplemental Policy and/or applicable law, costs and legal fees incurred by Fidelity or First American in LCPI's defense of the Tendered Claim that is the subject of such Settlement); and (b) in the case of a Coverage Resolution, any amounts that the First Lien Lenders must contribute to the Settlements under any Coverage Resolution.

3. Each Settlement shall be subject to approval by Final Order (as defined herein) of the SunCal Bankruptcy Court in the SunCal Master Bankruptcy. Nothing herein shall be deemed or constitute consent by the SunCal Trustee to the terms and conditions of any Settlement or to seek approval from the SunCal Bankruptcy Court of any Settlement. The SunCal Trustee may consent or agree to and seek approval of any Settlement in his sole and absolute discretion. In the event the SunCal Trustee refuses to submit any Settlement to the SunCal Bankruptcy Court for approval, each of LCPI, Fidelity, and First American shall be authorized to do so to prove that such Settlement is fair, equitable, and in the best interests of the Liquidating Trust and all creditors of the SunCal Master Bankruptcy, and that the terms and conditions of such Settlement are consistent with the terms and conditions of the Term Sheet (defined below) and the Confirmed SunCal Plan; provided, however, that prior to the filing of any such motion by LCPI, Fidelity, and/or First American, counsel for the Parties must meet in person or by telephone in a good faith effort to resolve any dispute concerning the terms and conditions of such Settlement. Such meet and confer requirement is a condition to the approval of any motion by LCPI, Fidelity, and/or First American to approve any Settlement. The SunCal Trustee reserves the right to oppose any such motion by LCPI, Fidelity, and/or First American to approve a Settlement.

4. Upon approval of a Settlement by a Final Order of the SunCal Bankruptcy Court, the SunCal Trustee promptly shall disburse to LCPI, as Administrative Agent for the First Lien Lenders, that portion of the Project Reserves established for the Tendered Claim covered by the Settlement plus any interest thereon (each such disbursement, a “Reserve Distribution”); provided, however, that the SunCal Trustee shall retain, free and clear of any liens, claims or interests of LCPI, the First Lien Lenders, Fidelity or First American, 3.5% of that portion of each Reserve Distribution not allocated to the Carve Out (as defined below), unless and until the Trustee’s Participation (as defined in the Confirmed SunCal Plan) has been fully funded, *i.e.*, until Allowed Unsecured Trade Claims (as defined in the Confirmed SunCal Plan) are paid in full.

5. As security for the Reimbursements, LCPI, as Administrative Agent for the First Lien Lenders, shall cause funds in an amount equal to the Reimbursements attributable to the now-settled Tendered Claim to be set aside from the corresponding Reserve Distribution for that now-settled Tendered Claim, free and clear of all liens, claims and encumbrances (the “Carve Out”). The Carve Out shall be segregated, deposited in a blocked account, held in escrow and administered in accordance with the terms of this Agreement. Additionally, LCPI, as Administrative Agent for the First Lien Lenders, shall grant Fidelity and First American a first priority security interest and lien in the Carve Out (the “Security Interest”) to secure payment of the Reimbursements.

6. No distributions shall be made from the Carve Out until the earlier of: (i) the date of a Final Order of the LCPI Bankruptcy Court approving any Coverage Resolution (the “Coverage Resolution Condition”); (ii) the date of a Coverage Order<sup>6</sup> (the “Coverage

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<sup>6</sup> As used herein, a “Coverage Order” is a Final Order that a Tendered Claim falls within coverage under the First Loan Policy and/or the Summerwind Supplemental Policy and is not otherwise subject to a coverage exclusion.

Condition”); and (iii) the date of a No Coverage Order (the “No Coverage Condition”). Upon the occurrence of:

- a. the Coverage Resolution Condition, LCPI promptly shall disburse the Carve Out, as of the date of the Coverage Resolution Condition, and thereafter promptly shall disburse any amount that would otherwise have been deposited into the Carve Out from a Reserve Distribution, to (x) LCPI, as administrative agent for the First Lien Lenders, (y) Fidelity and (z) First American in accordance with the terms of the Coverage Resolution;
- b. the Coverage Condition, LCPI promptly shall disburse that portion of the Carve Out related to a Tendered Claim for which there is a Coverage Order, as of the date of the Coverage Condition, and thereafter promptly shall disburse any amount that would otherwise have been deposited into the Carve Out from a Reserve Distribution for a Tendered Claim for which there is a Coverage Order, to LCPI, as administrative agent for the First Lien Lenders, free and clear of any liens, claims or interests of Fidelity or First American; and
- c. the No Coverage Condition, LCPI promptly shall disburse that portion of the Carve Out related to a Tendered Claim for which there is a No Coverage Order, as of the date of the No Coverage Condition, and thereafter promptly shall disburse any amount that would otherwise have been deposited into the Carve Out from a Reserve Distribution for a Tendered Claim for which there is a No Coverage Order, to Fidelity and First American, free and clear of any liens, claims or interests of the First Lien Lenders.

7. Upon the occurrence of a Coverage Resolution Condition, Coverage Condition, or No Coverage Condition, LCPI shall promptly disburse to the SunCal Trustee, free and clear of

any liens, claims or interests of LCPI, the First Lien Lenders, Fidelity or First American, 3.5% of any distribution that LCPI, individually or as administrative agent for the First Lien Lenders, receives from the Carve Out on account of such event, unless and until the Trustee's Participation (as defined in the Confirmed SunCal Plan) is fully funded, *i.e.*, until Allowed Unsecured Trade Claims (as defined in the Confirmed SunCal Plan) are paid in full. LCPI will provide such documents and other information reasonably requested by the SunCal Trustee to verify the amounts of the Carve Outs and to monitor LCPI's compliance with this paragraph.

8. Without the need to obtain a further Order of the Court in the Lehman Bankruptcy, Fidelity and First American shall be deemed to have finally allowed administrative priority claims against the bankruptcy estates of each debtor in the Lehman Bankruptcy (each a "Lehman Debtor" and together the "Lehman Debtors") that is a lender under the First Lien Loan in amounts equal to the shares of the Reimbursements allocable to each such Lehman Debtor including, without limitation, LCPI, in its individual capacity as a lender under the First Lien Loan, without offset, counterclaim or defense. Notwithstanding the foregoing, Fidelity and First American agree to look solely to the Carve Out for satisfaction of such allowed administrative priority claims provided the Carve Out is maintained and preserved as provided herein.

9. Except as otherwise provided herein, the Parties intend this Agreement to be without prejudice to the rights of LCPI, as Administrative Agent for the First Lien Lenders, any First Lien Lender (including, without limitation, LCPI in its capacity as an individual First Lien Lender), Fidelity and/or First American to assert any claims or defenses against each other or third parties concerning title insurance coverage under the Policies and/or the Summerwind Supplemental Policy. EACH OF THE PARTIES FULLY RESERVES ITS RIGHTS AND REMEDIES, INCLUDING TO CONTINUE ITS INVESTIGATION OF THE TENDERED CLAIMS AND THE COVERAGE AVAILABLE UNDER THE POLICIES AND/OR THE

SUMMERWIND SUPPLEMENTAL POLICY WITH RESPECT THERETO AND TO ASSERT ANY AND ALL CLAIMS OR DEFENSES THAT MAY NOW EXIST OR THAT MAY ARISE BY REASON OF SUCH INVESTIGATION.

10. The Parties agree that this Agreement is the result of arms-length, good faith settlement negotiations between the Parties that commenced with a meeting between the Parties on October 29, 2010. The Parties further agree not to assert defenses based on the principles of estoppel, laches or like doctrines with respect to any delay in the commencement of proceedings to determine the scope of coverage under the Policies and/or the Summerwind Supplemental Policy from October 29, 2010 to the date of this Agreement.

11. This Agreement shall not constitute an admission of any fact or liability by LCPI, as Administrative Agent for the First Lien Lenders, any First Lien Lender (including, without limitation, LCPI in its capacity as an individual First Lien Lender), Fidelity, First American and/or the SunCal Trustee, and the Parties agree that this Agreement shall not be used as such in any proceeding or matter between them or otherwise related to the Policies, the Summerwind Supplemental Policy, the Tendered Claims, the Settlements and/or the Reimbursements, except to enforce the terms hereof or any related Court Order.

12. Outside the scope of the Lehman Bankruptcy and the SunCal Master Bankruptcy, no Party shall introduce or attempt to introduce this Agreement or its terms and contents at deposition, hearing, trial or similar legal proceeding, except to enforce or construe this Agreement and/or any related Court Order.

13. This Agreement shall survive, be unaffected by and take precedence over the terms of any plan of reorganization or plan of liquidation for LCPI confirmed in connection with the Lehman Bankruptcy.

14. The Parties agree that this Agreement implements the Confirmed SunCal Plan, the binding and amended term sheet attached to the Confirmed SunCal Plan as Exhibit 1 (the “Term Sheet”), the Sale Order, and the order confirming the Confirmed SunCal Plan. Except as otherwise provided in this Agreement, no prior or subsequent order of either the SunCal Bankruptcy Court or the LCPI Bankruptcy Court shall modify the terms of this Agreement, and the order approving this Agreement shall so provide.

15. This Agreement shall be binding on the Parties, their successors and assigns, including any bankruptcy trustee, post-confirmation liquidating agent, liquidating trustee or similar party appointed in connection with the Lehman Bankruptcy and/or the SunCal Master Bankruptcy.

16. LCPI shall stipulate to relief from the automatic stay in the Lehman Bankruptcy to allow the Parties to take any and all actions contemplated by and/or necessary to consummate or enforce this Agreement.

17. Notwithstanding anything to the contrary contained herein, Alfred H. Siegel is signing this Agreement solely in his capacity as the SunCal Trustee, not in an individual capacity, and in no event whatsoever shall Alfred H. Siegel have any personal liability of any kind, nature or amount as a result of this Agreement, including, without limitation, any performance, failure of performance, breach, default or other circumstance arising from or related to this Agreement, the implementation thereof, or the transactions contemplated herein.

18. This Agreement shall be subject to Court approval by Final Order (the “Approval Order”) in both the Lehman Bankruptcy and the SunCal Master Bankruptcy. In the absence of such Court approval, this Agreement shall be null, void and of no force, effect or probative value, except for Paragraph 10 hereof. LCPI and the SunCal Trustee agree promptly to file or to cause to be filed a Motion and conforming Order, in form and substance mutually acceptable to

the Parties, seeking Court approval of this Agreement on a no hearing basis in both the Lehman Bankruptcy and the SunCal Master Bankruptcy, as applicable, no later than September 2, 2011, provided that LCPI and the SunCal Trustee shall each schedule such Motion to be heard on the applicable court's earliest available hearing date in the event that any party timely objects to the requested relief.

LEHMAN COMMERCIAL PAPER, INC.,  
As Administrative Agent for the First Lien Lenders

By: \_\_\_\_\_  
[Name]  
Its \_\_\_\_\_

FIDELITY NATIONAL TITLE INSURANCE  
COMPANY

By: \_\_\_\_\_  
[Name]  
Its \_\_\_\_\_

FIRST AMERICAN TITLE INSURANCE COMPANY

By: \_\_\_\_\_  
[Name]  
Its \_\_\_\_\_

ALFRED H. SIEGEL, SOLELY IN HIS CAPACITY AS  
THE LIQUIDATING TRUSTEE IN THE JOINTLY  
ADMINISTERED BANKRUPTCY CASES OF  
LBREP/L-SUNCAL MASTER I LLC, LBREP/L-  
SUNCAL McALLISTER RANCH, LLC, LBREP/L-  
SUNCAL McSWEENY FARMS LLC AND LBREP/L-  
SUNCAL SUMMERWIND RANCH LLC

BY: \_\_\_\_\_  
Alfred H. Siegel