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**COMMUNITY FACILITIES DISTRICT NO. 2014-67 (TR. 30422-3 / TR. 36437)
OF EASTERN MUNICIPAL WATER DISTRICT
IMPROVEMENT AREA A 2019 SPECIAL TAX BONDS**

BOND PURCHASE AGREEMENT

_____, 2019

Board of Directors
Community Facilities District No. 2014-67 (TR. 30422-3 / TR. 36437) of
Eastern Municipal Water District
2270 Trumble Road
Perris, California 92572

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the “**Underwriter**”), acting not as a fiduciary or agent for you, but on behalf of itself, offers to enter into this Bond Purchase Agreement with Community Facilities District No. 2014-67 (TR. 30422-3 / TR. 36437) of Eastern Municipal Water District (the “**Community Facilities District**”) which, upon acceptance, will be binding upon the Community Facilities District and the Underwriter. This offer is made subject to its acceptance by the Community Facilities District on the date hereof, and it is subject to withdrawal by the Underwriter upon notice delivered to the Community Facilities District at any time prior to the acceptance by the Community Facilities District. Capitalized terms that are used in this offer and not otherwise defined herein shall have the respective meanings ascribed to them in the Indenture or the Official Statement (as each are hereinafter defined).

The Community Facilities District acknowledges and agrees that: (i) the primary role of the Underwriter is to purchase securities for resale to investors in an arms-length commercial transaction between the Community Facilities District and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Community Facilities District, (ii) the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the Community Facilities District or any other person or entity and has not assumed any advisory or fiduciary responsibility to the Community Facilities District with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Community Facilities District on other matters), (iii) the only obligations the Underwriter has to the Community Facilities District with respect to the transaction contemplated hereby expressly are set forth in this Bond Purchase Agreement, except as otherwise provided by applicable rules and regulations of the SEC or the rules of the Municipal Securities Rulemaking Board (the “**MSRB**”), and (iv) the Community Facilities District has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein. The Community Facilities District acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule

G-17 of the MSRB. The Community Facilities District acknowledges that it has engaged Fieldman Rolapp & Associates, Inc. as its municipal advisor (as defined in Securities and Exchange Commission Rule 15Ba1), and will rely on the advice of Fieldman Rolapp & Associates, Inc (the “**Municipal Advisor**”).

1. Purchase, Sale and Delivery of the Bonds.

(a) Subject to the terms and conditions, and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter agrees to purchase from the Community Facilities District, and the Community Facilities District agrees to sell to the Underwriter, all (but not less than all) of the Community Facilities District No. 2014-67 (TR. 30422-3 / TR. 36437) of Eastern Municipal Water District Improvement Area A 2019 Special Tax Bonds (the “**Bonds**”) in the aggregate principal amount specified in Exhibit A hereto. The Bonds shall be dated the Closing Date (as hereinafter defined), bear interest from said date (payable semiannually on March 1 and September 1 in each year, commencing September 1, 2019) at the rates per annum, and mature on the dates and in the amounts set forth in Exhibit A hereto. The purchase price for the Bonds shall be the amount specified as such in Exhibit A.

(b) The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable and be subject to redemption as provided in, Resolution No. 2019-____, adopted by the Board of Directors (the “**Board**”) of Eastern Municipal Water District (the “**Water District**”) on February 20, 2019 (the “**Resolution of Issuance**”), and a Trust Indenture, dated as of November 1, 2017, as amended and supplemented by that certain First Supplement to Trust Indenture, dated as of March 1, 2019, (the “**Indenture**”) each by and between the Community Facilities District and U.S. Bank National Association, as the Fiscal Agent (the “**Fiscal Agent**”). The Bonds are secured by Net Special Taxes on a parity with the Community Facilities District’s Improvement Area A 2017 Special Tax Bonds (the “**2017 Bonds**”), which are currently outstanding in the aggregate principal amount of \$2,075,000.

(c) The Underwriter has previously distributed to potential purchasers of the Bonds the Preliminary Official Statement for the Bonds, dated _____, 2019 (which Preliminary Official Statement, together with its cover page and all appendices thereto, is herein referred to as the “**Preliminary Official Statement**” and which, as amended with the prior approval of the Underwriter and executed by the Community Facilities District, will be referred to herein as the “**Official Statement**”). Such distribution of the Preliminary Official Statement by the Underwriter subsequent to its receipt of a certificate from the Community Facilities District deeming the Preliminary Official Statement final for purposes of Rule 15c2-12 of the Securities and Exchange Commission (“**Rule 15c2-12**”) is hereby ratified. The Community Facilities District hereby authorizes the Underwriter to use and distribute the Official Statement, the Indenture, the Community Facilities District Continuing Disclosure Certificate, dated March ___, 2019, executed by the Community Facilities District (the “**Community Facilities District Continuing Disclosure Certificate**”), this Bond Purchase Agreement, any other documents or contracts to which the Community Facilities District is a party, and all information contained therein, and all other documents, certificates and statements furnished by the Community Facilities District to the Underwriter in connection with the transactions contemplated by this Bond Purchase Agreement, in connection with the offer and sale of the Bonds by the Underwriter. The Underwriter hereby agrees to deliver a copy of the Official Statement to the MSRB through the Electronic Municipal Marketplace Access website of the MSRB on or before the Closing Date and otherwise to comply

with all applicable statutes and regulations in connection with the offering and sale of the Bonds, including, without limitation, MSRB Rule G-32 and Rule 15c2-12.

(d) At 8:30 A.M., California time, on _____, 2019, or at such earlier time or date as shall be agreed upon by the Underwriter and the Community Facilities District (such time and date being herein referred to as the “**Closing Date**”), the Community Facilities District will deliver (i) through the facilities of The Depository Trust Company or to its agent, the Bonds in definitive form (all Bonds being in book-entry form registered in the name of Cede & Co. and having the CUSIP numbers assigned to them printed thereon), duly executed by the officers of the Water District, acting on behalf of the Community Facilities District, as provided in the Indenture, and (ii) to the Underwriter, at the Newport Beach, California offices of Stradling Yocca Carlson & Rauth, a Professional Corporation (“**Bond Counsel**”), the documents herein mentioned; and the Underwriter shall accept such delivery and pay the purchase price of the Bonds in same day funds (such delivery and payment being herein referred to as the “**Closing**”).

2. Establishment of Issue Price.

(a) The Underwriter agrees to assist the Community Facilities District in establishing the issue price of the Bonds and shall execute and deliver to the Community Facilities District at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit E, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Community Facilities District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(b) Except as otherwise set forth in Exhibit A attached hereto, the Community Facilities District will treat the first price at which 10% of each maturity of the Bonds (the “**10% test**”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Bond Purchase Agreement, the Underwriter shall report to the Community Facilities District the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the Community Facilities District the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Bonds of that maturity or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the Underwriter’s reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Community Facilities District or Bond Counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

(c) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the “**initial offering price**”), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Bonds for which the Underwriter represents that (i) the 10% test has been satisfied (assuming orders are confirmed by the close of the business day immediately following the date of this Bond Purchase Agreement) and (ii) the 10% test has not been satisfied and for which the Community Facilities District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Community Facilities District to treat the initial

offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “**hold-the-offering-price rule**”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following::

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Community Facilities District promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be reasonable periodic intervals or otherwise upon request of the Underwriter and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(d) (ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The Community Facilities District acknowledges that, in making the representation set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Community Facilities District further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(f) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(1) “public” means any person other than an underwriter or a related party;

(2) “underwriter” means (A) any person that agrees pursuant to a written contract with the Community Facilities District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public);

(3) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(4) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

3. Representations, Warranties and Agreements of the Community Facilities District. The Community Facilities District represents, warrants and covenants to and agrees with the Underwriter that:

(a) The Water District was duly organized and is validly existing as a municipal water district under the Constitution and laws of the State of California.

(b) The Board has duly adopted a resolution forming the Community Facilities District and Improvement Area A (the “**Resolution of Formation**”) and an ordinance authorizing the levy of a special tax on the taxable property within Improvement Area A (the “**Special Tax Ordinance**”) and all other ordinances and resolutions referred to in the Resolution of Formation and the Special Tax Ordinance and has caused to be recorded in the real property records of the County of Riverside, a Notice of Special Tax Lien (the “**Notice of Special Tax Lien**”) (such ordinances and resolutions and Notice of Special Tax Lien being collectively referred to herein as the “**Formation Documents**”). Each of the Formation Documents remains in full force and effect as of the date hereof and has not been amended.

(c) The Community Facilities District is duly organized and validly existing as a community facilities district under the laws of the State of California and has, or at the Closing Date will have, as the case may be, full legal right, power and authority (i) to execute, deliver and perform its obligations under this Bond Purchase Agreement, the Community Facilities District Continuing Disclosure Certificate, and the Indenture and to carry out all transactions contemplated by each of such agreements, (ii) to issue, sell and deliver the Bonds to the Underwriter pursuant to the Indenture as provided herein, and (iii) to carry out, give effect to and consummate the transactions contemplated by the Formation Documents and the Official Statement, the Indenture, this Bond Purchase Agreement, the Resolution of Issuance, and the Community Facilities District Continuing Disclosure Certificate, (collectively the “**Community Facilities District Documents**”).

(d) The Community Facilities District has complied, and at the Closing Date will be in compliance, in all material respects, with the Community Facilities District Documents; and any immaterial non-compliance therewith by the Community Facilities District will not impair the ability of the Community Facilities District to carry out, give effect to or consummate the transactions contemplated by the foregoing. From and after the date of issuance of the Bonds, the Community Facilities District will continue to comply with the covenants of the Community Facilities District contained in the Community Facilities District Documents.

(e) The Board has duly and validly: (i) taken or caused to be taken, all proceedings necessary under the Constitution and laws of the State of California in order to form the Community Facilities District to authorize the levy of a special tax (the “**Special Tax**”) on the taxable property within Improvement Area A pursuant to the Rate and Method of Apportionment of Special Tax approved pursuant to the Resolution of Formation (the “**Rate and Method of Apportionment**”), to cause the Special Tax to be secured by a continuing lien on each parcel of Taxable Property (as defined in the Rate and Method of Apportionment) within Improvement Area A and to authorize the sale and issuance of the Bonds, (ii) authorized and approved the execution and delivery of the Community Facilities District Documents, (iii) authorized the preparation and delivery of the Preliminary Official Statement and the Official Statement, and (iv) authorized and approved the performance by the Community Facilities District of its obligations contained in, and the taking of any and all action as may be necessary to carry out, give effect to and consummate the transactions contemplated by, each of the Community Facilities District Documents (including, without limitation, the collection of the Special Tax); and the Community Facilities District and Improvement Area A have been validly formed, the Special Tax has been approved and its levy authorized, and (assuming due authorization, execution and delivery by other parties thereto, where necessary) the Community Facilities District Documents and the Bonds will constitute the valid,

legal and binding obligations of the Community Facilities District enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general and to the application of equitable principles.

(f) The Community Facilities District is not in breach of or default under any applicable law or administrative rule or regulation of the United States or the State of California, or of any department, division, agency or instrumentality of either of them, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Community Facilities District is a party or is otherwise subject or bound, a consequence of which could be to materially and adversely affect the performance by the Community Facilities District of its obligations under the Community Facilities District Documents or the Bonds; and compliance with the provisions of each thereof will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the United States or the State of California, or of any department, division, agency or instrumentality of either of them, or under any applicable court or administrative decree or order, or a material breach of or default under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Community Facilities District is a party or is otherwise subject or bound.

(g) Except for compliance with the "Blue Sky" or other states securities law filings, as to which the Community Facilities District makes no representations, all approvals, consents, authorizations, elections and orders of or filings or registrations with any State governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the Community Facilities District of its obligations hereunder, or under the Community Facilities District Documents or the Bonds, have been obtained and are in full force and effect.

(h) The Special Tax has been duly and lawfully authorized and may be levied and collected under the laws of the State of California; and, when levied, the Special Tax will constitute a valid and legally binding continuing lien on the properties on which it is levied in accordance with the Rate and Method of Apportionment.

(i) Until the date which is twenty-five (25) days after the "end of the underwriting period" (as hereinafter defined), if any event shall occur of which the Community Facilities District becomes aware, as a result of which it may be necessary to supplement the Official Statement in order to make the statements in the Official Statement, in light of the circumstances existing at such time, not misleading, the Community Facilities District shall forthwith notify the Underwriter of such event and shall cooperate fully in furnishing any information available to it for any supplement to the Official Statement necessary so that the statements therein, as so supplemented, will not be misleading in light of the circumstances existing at such time; and the Community Facilities District shall promptly furnish to the Underwriter a reasonable number of copies of such supplement (as used herein, the term "end of the underwriting period" means the later of such time as (i) the Community Facilities District delivers the Bonds to the Underwriter, or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public; and, unless the Underwriter delivers written notice to the contrary to the Community Facilities District prior to the Closing specifying another date to be deemed the "end of the underwriting period," the "end of the underwriting period" shall be deemed to be the Closing Date).

(j) The Indenture creates a valid pledge of the Net Special Taxes and the moneys in the Special Tax Fund established pursuant to the Indenture, including the investments thereof, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

(k) Except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body is pending or, to the knowledge of the Community Facilities District, threatened against the Community Facilities District (i) which would materially adversely affect the ability of the Community Facilities District to perform its obligations under the Community Facilities District Documents or the Bonds, or (ii) seeking to restrain or to enjoin: (A) the development of any of the land within Improvement Area A, (B) the issuance, sale or delivery of the Bonds, (C) the application of the proceeds thereof in accordance with the Indenture, or (D) the collection or application of the Special Tax, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Community Facilities District Documents, any tentative or final subdivision map or building permits applicable to property within Improvement Area A, any other instruments relating to the development of any of the property within Improvement Area A or any action contemplated by any of said documents, or (iii) in any way contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or the powers or authority of the Community Facilities District with respect to the Bonds, the Community Facilities District Documents, or any action of the Community Facilities District contemplated by any of said documents; nor is there any action pending or, to the knowledge of the Community Facilities District, threatened against the Community Facilities District which alleges that interest on the Bonds is not excludable from gross income for federal income tax purposes or is not exempt from California personal income taxation.

(l) The Community Facilities District will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order for the Underwriter to qualify the Bonds for offer and sale under the “Blue Sky” or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; provided, however, the Community Facilities District shall not be required to register as a dealer or a broker of securities or to consent to service of process in connection with any Blue Sky filing.

(m) Any certificate signed by any authorized official of the Water District or the Community Facilities District authorized to do so shall be deemed a representation and warranty to the Underwriter as to the statements made therein.

(n) The Community Facilities District will apply the proceeds of the Bonds in accordance with the Indenture and as described in the Official Statement.

(o) The Official Statement (except the portion thereof entitled “PROPERTY OWNERSHIP AND THE DEVELOPMENT,” as to which no view need be expressed) is, as of the date thereof, and will be, as of the Closing Date, true, correct and complete in all material respects; and the Official Statement (except the portion thereof mentioned above, as to which no view need be expressed) does not, as of the date thereof, and will not, as of the Closing Date, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(p) Based on a review of its prior undertakings and except as otherwise disclosed in the Preliminary Official Statement and Official Statement, neither the Water District nor the Community Facilities District has failed to comply in any material respect with any continuing disclosure undertaking previously entered into pursuant to the provisions of Rule 15c2-12(b)(5) during the past five years.

(q) The Preliminary Official Statement heretofore delivered to the Underwriter has been deemed final by the Community Facilities District as of its date, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of Rule 15c2-12. The Community Facilities District hereby covenants and agrees that, within seven (7) business days from the date hereof, or (upon reasonable written notice from the Underwriter) within sufficient time to accompany any confirmation requesting payment from any customers of the Underwriter, the Community Facilities District shall cause a final printed form of the Official Statement to be delivered to the Underwriter in a quantity mutually agreed upon by the Underwriter and the Community Facilities District so that the Underwriter may comply with paragraph (b)(4) of Rule 15c2-12 and Rules G-12, G-15, G-32 and G-36 of the Municipal Securities Rulemaking Board.

4. Conditions to the Obligations of the Underwriter. The obligations of the Underwriter to accept delivery of and pay for the Bonds on the Closing Date shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations and warranties on the part of the Community Facilities District contained herein, as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Community Facilities District made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by the Community Facilities District of its obligations to be performed hereunder at or prior to the Closing Date and to the following additional conditions:

(a) At the Closing Date, the Community Facilities District Documents shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and there shall have been taken in connection therewith, with the issuance of the Bonds and with the transactions contemplated thereby and by this Bond Purchase Agreement, all such actions as, in the opinion of Bond Counsel, shall be necessary and appropriate;

(b) The information contained in the Official Statement will, as of the Closing Date and as of the date of any supplement or amendment thereto pursuant to Section 3(i) hereof, be true, correct and complete in all material respects and will not, as of the Closing Date or as of the date of any supplement or amendment thereto pursuant to Section 3(i) hereof, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(c) Between the date hereof and the Closing Date, the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds, at the initial offering prices set forth in the Official Statement shall not have been materially adversely affected, in the judgment of the Underwriter (evidenced by a written notice to the Community Facilities District terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds) by reason of any of the following:

(1) legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America or recommended to the Congress by the President of the United States, the Department of the Treasury, the Internal Revenue Service, or any member of Congress, or favorably reported for passage to either House of Congress by any committee of such House to which such legislation had been referred for consideration or a decision rendered by a court established under Article III of the Constitution of the United States of America or by the Tax Court of the United States of America, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Treasury Department or the Internal Revenue Service of the United States of America, with the purpose or effect, directly or indirectly, of imposing federal income taxation upon the interest that would be received by the holders of the Bonds beyond the extent to which such interest is subject to taxation as of the date hereof;

(2) legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America, or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under, or from the other requirements of, the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under, or from the other requirements of, the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds, or of the Bonds, including any or all underwriting arrangements, as contemplated hereby or by the Official Statement or otherwise is or would be in violation of the federal securities laws, rules or regulations as amended and then in effect;

(3) any amendment to the federal or California Constitution or action by any federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Community Facilities District, its property, income, securities (or interest thereon), the validity or enforceability of the Special Tax or the ability of the Community Facilities District to construct or acquire the improvements as contemplated by the Community Facilities District Documents or the Official Statement or the right of any owner of the property within Improvement Area A to develop such property in the manner described in the Official Statement;

(4) any event occurring, or information becoming known, which, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or results in the Official Statement containing any untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; or

(5) the declaration of war or the escalation of, or engagement in, military hostilities by the United States or the occurrence of any other national or international emergency or calamity relating to the effective operation of the government of, or the financial community in, the United States; or

(6) the declaration of a general banking moratorium by federal, State of New York or State of California authorities, or the general suspension of trading on any national securities exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange or other national securities exchange, whether by virtue of determination by that exchange or by order of the Securities and Exchange Commission (the “SEC”) or any other governmental authority having jurisdiction; or

(7) the imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

(8) the entry of an order by a court of competent jurisdiction which order, in the reasonable opinion of the Underwriter, materially and adversely affects proposed development of property within Improvement Area A; or

(9) a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

(10) there shall have been any material adverse change in the affairs of the Community Facilities District or Water District that in the Underwriter’s reasonable judgment will materially adversely affect the market for the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

(11) there shall be established any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a change to the net capital requirements of, underwriters established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or

(12) a stop order, release, regulation, or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made to the effect that the issuance, offering, or sale of the Bonds, including all the underlying obligations as contemplated hereby or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act, and the Trust Indenture Act of 1939, as amended; or

(13) the commencement of any action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body described in Section 3(k).

(d) On the Closing Date, the Underwriter shall have received counterpart originals or certified copies of the following documents, in each case satisfactory in form and substance to the Underwriter:

(1) The Community Facilities District Documents, together with a certificate dated as of the Closing Date of the Secretary of the Board to the effect that each such document is a true, correct and complete copy of the one duly approved by the Board;

(2) The Official Statement, duly executed by the Community Facilities District;

(3) The opinion of Bond Counsel, dated the Closing Date and addressed to the Community Facilities District, in substantially the form attached to the Preliminary Official Statement as Appendix B, and a reliance letter from such firm, dated the Closing Date and addressed to the Underwriter, to the effect that such approving opinion addressed to the Community Facilities District may be relied upon by the Underwriter to the same extent as if such opinion were addressed to them;

(4) The supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Underwriter, to the effect that (i) this Bond Purchase Agreement, the Indenture and the Community Facilities District Continuing Disclosure Certificate have been duly authorized, executed and delivered by the Community Facilities District, and, assuming such agreements constitute valid and binding obligations of the respective other parties thereto, constitute the legally valid and binding agreements of the Community Facilities District enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, moratorium, insolvency or other laws affecting creditor's rights or remedies and is subject to general principles of equity and to the exercise of judicial discretion in appropriate cases; (ii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; and (iii) the statements contained in the Official Statement under the captions "THE 2019 BONDS," "SECURITY FOR THE 2019 BONDS," and "TAX MATTERS," and in Appendices A, B and E, insofar as such statements expressly summarize certain provisions of the Bonds, the Indenture, the other agreements and the opinion of such firm concerning the exclusion from gross income for federal income tax purposes and exemption from State of California personal income taxes of interest on the Bonds, are accurate in all material respects;

(5) The letter of Stradling Yocca Carlson & Rauth, a Professional Corporation, dated the Closing Date and addressed to the Community Facilities District and to the Underwriter, to the effect that, without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of their participation in conferences with representatives of the Community Facilities District, the Special Tax Consultant and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Official Statement as of its date and as of the Closing Date contained or contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no opinion or belief need be expressed as to any financial statements or other financial, statistical or engineering data or forecasts, numbers, charts, estimates, projections, assumptions, or expressions of opinion, any information about valuation,

appraisals, absorption, archeological or environmental matters, or any information with respect to the Water District, or about The Depository Trust Company or the book-entry-only system);

(6) A certificate, dated the Closing Date and signed by an authorized representative of the Community Facilities District, ratifying the use and distribution by the Underwriter of the Preliminary Official Statement and the Official Statement in connection with the offering and sale of the Bonds and certifying that (i) the representations and warranties of the Community Facilities District contained in Section 3 hereof are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date except that all references therein to the Preliminary Official Statement shall be deemed to be references to the Official Statement; (ii) to the best of his or her knowledge, no event has occurred since the date of the Official Statement affecting the matters contained therein which should be disclosed in the Official Statement for the purposes for which it is to be used in order to make the statements and information contained in the Official Statement not misleading in any material respect, and the Bonds and the Community Facilities District Documents conform as to form and tenor to the descriptions thereof contained in the Official Statement; and (iii) the Community Facilities District has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied under the Community Facilities District Documents and the Official Statement at or prior to the Closing Date;

(7) An opinion, dated the Closing Date and addressed to the Underwriter, of Olivarez Madruga Lemieux & O'Neill, LLP, General Counsel for the Water District, to the effect that (i) the Water District was duly organized and is validly existing as a municipal water district under the Constitution and laws of the State of California, (ii) the Board adopted the resolutions and ordinances forming the Community Facilities District, confirming the Special Tax, approving the Community Facilities District Documents and authorizing the sale and issuance of the Bonds at meetings of the Board which were held pursuant to law, (iii) after due inquiry, there are no actions, suits, proceedings, inquiries, or investigations, at law or in equity, before or by any court, governmental agency, public board, or body, pending or, to such counsel's current actual knowledge, threatened against the Water District or the Community Facilities District, for which the Water District or the Community Facilities District has been served, to restrain or enjoin the issuance of the Bonds, the collection or application of the Special Tax, or the payment of principal of and interest on the Bonds, or in any way contesting the validity of the Bonds or the Community Facilities District Documents, and (iv) such counsel's current actual knowledge, without conducting an independent investigation, the information contained in the Official Statement (except for the financial statements and other financial, statistical or engineering data or forecasts, numbers, charts, estimates, projections, assumptions, or expressions of opinion, any information about valuation, appraisals, absorption, archeological or environmental matters, the Appendices thereto, or any information about The Depository Trust Company or the book-entry-only system, as to which no view need be expressed) is correct in all material respects and does not contain any untrue or misleading statement of a material fact or omit a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(8) A certificate, dated the Closing Date, of Webb Municipal Finance, LLC (the "**Special Tax Consultant**") to the effect that (i) the Special Tax, if collected in the maximum

amounts permitted pursuant to the Rate and Method of Apportionment on Developed Property, less the Administrative Expense Requirement, will generate in each Fiscal Year at least 110% of the debt service payable with respect to the Bonds and the 2017 Bonds in the Bond Year that begins in such Fiscal Year; (ii) all information appearing in the Official Statement for the Special Tax Consultant is identified as being the source is true and correct as of the date of the Official Statement and as of the Closing Date; and (iii) the statements concerning the Rate and Method of Apportionment and the statistical and financial data set forth in the tables and discussion in the Official Statement which were derived from information supplied by the Special Tax Consultant for use in the Official Statement under the captions "IMPROVEMENT AREA A - Rate and Method of Apportionment," and Appendix C- "RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX," and to the best of their knowledge, after due inquiry under the captions "SECURITY FOR THE 2019 BONDS - The Special Tax," "IMPROVEMENT AREA A - Assessed Value-to-Lien Ratios," "- Direct and Overlapping Debt," "- Delinquency History," and "- Top Taxpayers" are true, correct and complete in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and no events or occurrences have been ascertained by the Special Tax Consultant or have come to its attention that would substantially change such information set forth in the Official Statement as of the Closing Date;

(9) A certificate of U.S. Bank National Association, dated the Closing Date, in form and substance reasonably acceptable to the Underwriter;

(10) An opinion, dated the Closing Date and addressed to the Underwriter and the Community Facilities District, of counsel to U.S. Bank National Association in form and substance acceptable to the Community Facilities District and the Underwriter;

(11) A Letter of Representations of Lennar Homes of California, Inc. a California corporation (the "**Developer**"), addressed to the Community Facilities District and the Underwriter in connection with the printing of the Preliminary Official Statement dated the date of the Preliminary Official Statement in the form attached to this Bond Purchase Agreement as Exhibit B, and a certificate of the Developer, addressed to the Community Facilities District and the Underwriter, dated the Closing Date, in the form attached to this Bond Purchase Agreement as Exhibit C;

(12) An opinion of one or more counsel to the Developer (which may be in-house counsel) addressed to the Community Facilities District and the Underwriter, with appropriate assumptions and qualifications as are acceptable to the Water District, the Community Facilities District and the Underwriter, containing the substance of the opinions set forth in Exhibit D hereto, in such final forms of opinion as is acceptable to the Community Facilities District and the Underwriter;

(13) An opinion, dated the date of the Closing, from Kutak Rock LLP, counsel to the Underwriter, addressed to the Underwriter in form and substance acceptable to the Underwriter;

(14) Specimen Bonds;

(15) Evidence that Internal Revenue Service Form 8038 has been executed by the Water District on behalf of the Community Facilities District and will be filed with the Internal Revenue Service; and

(16) Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the statements and information contained in the Preliminary Official Statement and the Official Statement, of the Community Facilities District's representations and warranties contained herein, and the due performance or satisfaction by the Community Facilities District at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the Community Facilities District in connection with the transactions contemplated hereby and by the Official Statement.

If the Community Facilities District shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds contained in this Bond Purchase Agreement, or if the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriter nor the Community Facilities District shall be under any further obligation hereunder, except that the respective obligations of the Community Facilities District and the Underwriter set forth in Section 6 hereof shall continue in full force and effect.

5. Conditions of the Community Facilities District's Obligations. The Community Facilities District's obligations hereunder are subject to the Underwriter's performance of its obligations hereunder, and are also subject to the following conditions:

(a) As of the Closing Date, no litigation shall be pending or, to the knowledge of the duly authorized officer of the Community Facilities District executing the certificate referred to in Section 4(d)(6) hereof, threatened, to restrain or enjoin the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Bonds or the Community Facilities District Documents or the existence or powers of the Community Facilities District; and

(b) As of the Closing Date, the Community Facilities District shall receive the opinions referred to in Section 4(d)(3) and (5) hereof.

6. Expenses. Whether or not the Bonds are delivered to the Underwriter as set forth herein:

(a) The Underwriter shall be under no obligation to pay, and the Community Facilities District shall pay or cause to be paid (out of any legally available funds of the Community Facilities District) all expenses incident to the performance of the Community Facilities District's obligations hereunder, including, but not limited to, the cost of preparing and delivering the Bonds to DTC, the cost of preparation, printing, distributing and delivering of the Indenture, the Preliminary Official Statement, the Official Statement and all other agreements and documents contemplated hereby (and drafts of any thereof) in such reasonable quantities as requested by the Underwriter; and the fees and disbursements of the Fiscal Agent, Bond Counsel, Disclosure Counsel and any financial advisors, special tax consultants, accountants, engineers or any other experts or consultants the Community Facilities District retained in connection with the Bonds; and

(b) The Community Facilities District shall be under no obligation to pay, and the Underwriter shall pay, any fees of the California Debt and Investment Advisory Commission, the cost of preparation of any “Blue Sky” or legal investment memoranda and this Bond Purchase Agreement; expenses to qualify the Bonds for sale under any “Blue Sky” or other state securities laws; and all other expenses incurred by the Underwriter in connection with its public offering and distribution of the Bonds (except those specifically enumerated in paragraph (a) of this section), including the fees and disbursements of its counsel and any advertising expenses. Any meals in connection with or adjacent to meetings, rating agency presentations, pricing activities or other transaction-related activities shall be considered an expense of the transaction and included in the expense component of the Underwriter’s discount.

(c) Notices. Any notice or other communication to be given to the Community Facilities District under this Bond Purchase Agreement may be given by delivering the same in writing to the Community Facilities District in care of Eastern Municipal Water District at the address shown on page one hereof; and any notice or other communication to be given to the Underwriter under this Bond Purchase Agreement may be given by delivering the same in writing to Stifel, Nicolaus & Company, Incorporated, 515 South Figueroa Street, Suite 1800, Los Angeles, California 90071, Attention: Public Finance.

(d) Parties in Interest. This Bond Purchase Agreement is made solely for the benefit of the Community Facilities District and the Underwriter (including its successors or assigns), and no other person shall acquire or have any right hereunder or by virtue hereof.

(e) Survival of Representations, Warranties and Agreements. The representations, warranties and agreements of the Community Facilities District set forth in or made pursuant to this Bond Purchase Agreement shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing and regardless of any investigations made by or on behalf of the Underwriter (or statements as to the results of such investigations) concerning such representations and statements of the Community Facilities District and regardless of delivery of and payment for the Bonds.

7. Effective. This Bond Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the Community Facilities District and shall be valid and enforceable as of the time of such acceptance.

8. No Prior Agreements. This Bond Purchase Agreement supersedes and replaces all prior negotiations, agreements and understandings between the parties hereto in relation to the sale of Bonds for the Community Facilities District.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

9. Governing Law. This Bond Purchase Agreement shall be governed by the laws of the State of California.

10. Counterparts. This Bond Purchase Agreement may be executed simultaneously in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

Very truly yours,

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED**

By: _____
Authorized Representative

The foregoing is hereby agreed to and accepted as of the date first above written:

**COMMUNITY FACILITIES DISTRICT
NO. 2014-67 (TR. 30422-3 / TR. 36437) OF
EASTERN MUNICIPAL WATER DISTRICT**

By: _____
Authorized Officer

Time of Execution: _____ p.m. California time

[EXECUTION PAGE OF BOND PURCHASE AGREEMENT]

EXHIBIT A

MATURITY SCHEDULE

\$ _____

**COMMUNITY FACILITIES DISTRICT NO. 2014-67 (TR. 30422-3 / TR. 36437)
OF EASTERN MUNICIPAL WATER DISTRICT
IMPROVEMENT AREA A 2019 SPECIAL TAX BONDS**

<u>Maturity (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Test Satisfied*</u>	<u>10% Test Not Satisfied</u>	<u>Subject to Hold-The- Offering- Price Rule</u>
2019							
2020							
2021							
2022							
2023							
2024							
2025							
2026							
2027							
2028							
2029							
2030							
2031							
2032							
2033							
2034							
2035							
20__ ^(T)							
20__ ^(T)							

^(T) Term Bond.

^(C) Priced to optional call at [par] on September 1, 20__.

* At the time of execution of this Bond Purchase Agreement and assuming orders are confirmed immediately after the execution of this Bond Purchase Agreement.

The purchase price of the Bonds shall be \$_____, which is the principal amount of \$_____, less net original issue discount of \$_____ and less Underwriter's discount of \$_____.

EXHIBIT B

**FORMS OF LETTER OF REPRESENTATIONS OF LENNAR HOMES OF CALIFORNIA,
INC.**

**COMMUNITY FACILITIES DISTRICT NO. 2014-67 (TR. 30422-3 / TR. 36437)
OF EASTERN MUNICIPAL WATER DISTRICT
IMPROVEMENT AREA A 2019 SPECIAL TAX BONDS**

**LETTER OF REPRESENTATIONS OF
LENNAR HOMES OF CALIFORNIA, INC.**

_____, 2019

Community Facilities District No. 2014-67 (TR. 30422-3 / TR. 36437) of
Eastern Municipal Water District
2270 Trumble Road
Perris, California 92572

Stifel, Nicolaus & Company, Incorporated
515 South Figueroa Street, Suite 1800
Los Angeles, California 90071

Ladies and Gentlemen:

Reference is made to Community Facilities District No. 2014-67 (TR. 30422-3 / TR. 36437) of Eastern Municipal Water District Improvement Area A 2019 Special Tax Bonds (the “**Bonds**”) and to the Bond Purchase Agreement to be entered into in connection therewith (the “**Purchase Agreement**”). This Letter of Representations (the “**Letter of Representations**”) is delivered pursuant to and in satisfaction of Section 4(d)(11) of the Purchase Agreement. Capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Purchase Agreement.

The undersigned certifies and represents that he is duly authorized on behalf of LENNAR HOMES OF CALIFORNIA, INC., a California corporation (the “**Developer**”), to execute and deliver this Letter of Representations in connection with the issuance, sale and delivery by the Community Facilities District No. 2014-67 (TR. 30422-3 / TR. 36437) of Eastern Municipal Water District (the “**Community Facilities District**”) of the Bonds. The Bonds are described in the Preliminary Official Statement dated _____, 2019 relating to the Bonds (the “**Preliminary Official Statement**”).

As used in this Letter of Representations, the term “**Actual Knowledge of the Undersigned**” means the knowledge that the undersigned currently has as of the date of this Letter of Representations or has obtained through (i) interviews with such officers and responsible employees of the Developer as the undersigned has reasonably determined are likely, in the ordinary course of

his respective duties, to have knowledge of the matters set forth in this Letter of Representations, and (ii) reviews of documents reasonably available to the undersigned and which the undersigned reasonably deemed necessary for the undersigned to execute this Letter of Representations. The undersigned has not conducted any extraordinary inspection or inquiry other than such inspections or inquiries as are prudent and customary in connection with the ordinary course of the Developer's current business and operations. The undersigned has not contacted any individuals who are no longer employed by, or associated with, the Developer. The Developer further notes that Lennar Corporation, a Delaware corporation ("**Lennar Corporation**") completed a merger with CalAtlantic Group, Inc., a Delaware corporation ("**CalAtlantic**") in February, 2018, pursuant to which CalAtlantic merged with and into a subsidiary of Lennar Corporation, with the subsidiary of Lennar Corporation being the surviving entity. Separate and apart from Lennar Corporation's due diligence efforts for purposes of completing the acquisition of CalAtlantic, for purposes of this Letter of Representations, individuals who were employees and officers of CalAtlantic and its subsidiaries prior to the merger have not been consulted or contacted and documents entered into by CalAtlantic and its subsidiaries or related to their properties and projects have not been reviewed.

As used in this Letter of Representations, the term "**Relevant Entity**" of the Developer means any person presently directly or indirectly through one or more intermediaries controlling, controlled by or under common control with the Developer, and about whom information could be material to potential investors in their investment decision regarding the Bonds (including without limitation information relevant to the proposed development of the property owned by the Developer in the Community Facilities District, or to the Developer's ability to pay the special taxes levied by the Community Facilities District on property owned by the Developer ("**Special Taxes**") prior to delinquency). Due to the merger, and for purposes hereof, the term "Relevant Entity" shall exclude CalAtlantic and its direct and indirect subsidiaries.

As used in this Letter of Representations, the term "**Property**" means the property currently owned by the Developer within Improvement Area A of the Community Facilities District as described in the Preliminary Official Statement.

The undersigned certifies that he is familiar with the facts set forth in this Letter of Representations, and further hereby certifies to the Actual Knowledge of the Undersigned as follows on behalf of the Developer:

(1) The Developer has been duly organized and validly exists in good standing under the laws of the State of California and has or will have prior to the Closing, as required, all requisite corporate right, power and authority:

(i) to execute and deliver this Letter of Representations,

(ii) to acquire, own, develop and sell the Property, as described in the Preliminary Official Statement, and

(iii) to carry on its business as described in the Preliminary Official Statement.

(2) To the Actual Knowledge of the Undersigned, neither the Developer nor any of its Relevant Entities is currently in material default on any loans, lines of credit, agreements, or other contractual or financial obligations, or in breach of any applicable law,

regulation, judgment or decree, and no event has occurred and is continuing that would constitute such a default or breach, the result of which could materially adversely affect the ability of the Developer:

(i) to acquire, own, develop and sell the Property, as described in the Preliminary Official Statement,

(ii) to pay Special Taxes on the Property (to the extent the responsibility of the Developer) prior to delinquency, or

(iii) to carry on its business as described in the Preliminary Official Statement.

(3) Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, the Developer has not assumed any obligations under any loans, lines of credit, agreements, or other contractual or financial arrangements, or any applicable judgment or decree, which could materially adversely affect the ability of the Developer:

(i) to acquire, own, develop and sell the Property, as described in the Preliminary Official Statement,

(ii) to pay Special Taxes on the Property (to the extent the responsibility of the Developer) prior to delinquency, or

(iii) to carry on its business as described in the Preliminary Official Statement.

(4) Except as described in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, the Developer has no loans outstanding and unpaid and no lines of credit that are secured by the Property.

(5) The Developer has been developing or has been involved in the development of numerous projects over an extended period of time. It is likely that the Developer has been delinquent at one time or another in the payment of ad valorem property taxes, special assessments or special taxes. However, except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, neither the Developer nor any of its Relevant Entities is currently in default in, or, in the last five years, has ever defaulted to any material extent in, the payment of special taxes or assessments in connection with the Community Facilities District or any other community facilities districts or assessment districts in California that was not cured prior to the institution of any enforcement action with a court of law.

(6) Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, there is no litigation, inquiry, investigation or administrative proceeding of any nature pending against the Developer (with service of process to the Developer having been accomplished), or to the Actual Knowledge of the Undersigned, overtly threatened in writing against the Developer, or to the Actual Knowledge of the

Undersigned, pending or overtly threatened in writing against any Relevant Entity of the Developer, in each case which, if successful, could:

(i) materially adversely affect the ability of the Developer to acquire, own, develop and sell the Property, as described in the Preliminary Official Statement,

(ii) materially adversely affect the ability of the Developer to pay Special Taxes on the Property (to the extent the responsibility of the Developer) prior to delinquency,

(iii) materially adversely affect the ability of the Developer to carry on its business as described in the Preliminary Official Statement,

(iv) challenge, question the validity or enforceability of, or restrain or enjoin the performance of, the Special Taxes, the Bonds, the Community Facilities District Resolution of Issuance, the Indenture, or the Purchase Agreement, or

(v) restrain or enjoin collection of Special Taxes or other sums to be pledged to pay the principal of and interest on the Bonds.

(7) Except as disclosed in the Preliminary Official Statement:

(i) to the Actual Knowledge of the Undersigned, the Developer and its Relevant Entities are solvent;

(ii) except as set forth in this paragraph, neither the Developer nor, to the Actual Knowledge of the Undersigned, any of its Relevant Entities, has filed for bankruptcy or been declared bankrupt in the last 10 years; provided, that Lennar Mare Island, LLC, an affiliate of the Developer, was one of the twenty-two debtors in the June 2008 Landsource bankruptcy case, which has subsequently been discharged; and

(iii) to the Actual Knowledge of the Undersigned, there are no proceedings pending (with service of process to the Developer having been accomplished) or overtly threatened in writing in which the Developer or any of its Relevant Entities may be adjudicated as bankrupt, become the debtor in a bankruptcy proceeding, be discharged from any or all of its respective debts or obligations, be granted an extension of time to pay its respective debts or obligations, or be granted a reorganization or readjustment of its respective debts or obligations.

(8) As of the date hereof, the information in the sections of the Preliminary Official Statement entitled "PROPERTY OWNERSHIP AND THE DEVELOPMENT," concerning the Developer and its Relevant Entities, the Property, the Developer's development and financing plans, and the Developer's contractual arrangements (but excluding any information cited as coming from a source other than the Developer) is true and correct in all material respects, and contains no untrue statement of a material fact and does not omit any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(9) Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, the Developer has not submitted an application for, nor received actual notice of,

(i) the formation or authorization of any other assessment district or community facilities district that would include any portion of the property within the Community Facilities District, or

(ii) the authorization or issuance of any debt secured by an assessment or another special tax to be levied on any portion of the property within the Community Facilities District, other than the Special Tax.

(10) Except as set forth in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, there are no claims, disputes, lawsuits, actions or contingent liabilities of or against the Developer or its Relevant Entities, or among, by or between the Developer and any contractors working on the development of the Property in the Community Facilities District, which may materially and adversely affect:

(i) the ability of the Developer to acquire, own, develop and sell the Property, as described in the Preliminary Official Statement,

(ii) the ability of the Developer to pay Special Taxes on the Property (to the extent the responsibility of the Developer) prior to delinquency, or

(iii) the ability of the Developer to carry on its business as described in the Preliminary Official Statement.

(11) The Developer covenants that, while the Bonds or any refunding obligations related thereto are outstanding, the Developer will not bring any action, suit, proceeding, inquiry or investigation at law or in equity, before any court, regulatory agency, public board or body, that in any way:

(i) seeks to challenge or overturn the formation of the Community Facilities District,

(ii) seeks to challenge the adoption of the ordinance levying Special Taxes within the Community Facilities District,

(iii) seeks to invalidate the Community Facilities District or any of the Bonds or any refunding obligations, or

(iv) seeks to invalidate the special tax liens imposed under Section 3115.5 of the Streets and Highways Code based on recordation of the notices of special tax lien relating thereto.

The foregoing covenant shall not prevent the Developer in any way from bringing any other action, suit, proceeding, inquiry or investigation at law or in equity before any court, regulatory agency, public board or body relating to the following:

(a) a claim that the Special Tax has not been levied in accordance with the Rate and Method of Apportionment,

(b) the application or use of the Special Taxes levied and collected, or

(c) the enforcement of the obligations of the Community Facilities District under the Indenture or any agreements between the Developer and the Water District or the Community Facilities District or under which the Developer is a beneficiary.

(12) The Developer has received a copy of the Rate and Method of Apportionment containing the prepayment formula. The Developer acknowledges that any prepayment of the Special Taxes may only be made in accordance with the Rate and Method of Apportionment.

(13) The Developer shall comply with the provision of the Mello-Roos Community Facilities Act of 1982, as amended, relating to the Notice of Special Tax described in California Government Code Section 53341.5 in connection with the sale of any part of the Property.

(14) Based upon its current development plans, including, without limitation, its current budget and subject to economic conditions and risks generally inherent in the development of real property, to the Actual Knowledge of the Undersigned, the Developer anticipates that it will have sufficient funds to (i) carry on its business as described in the Preliminary Official Statement, (ii) acquire, own, develop and sell the Property as described in the Preliminary Official Statement, and (iii) pay Special Taxes on the Property (to the extent the responsibility of the Developer) prior to delinquency.

However, no assurance can be given that sources of financing available to the Developer will be sufficient to complete the property development and home construction as currently anticipated and as described in the Preliminary Official Statement. While the Developer has made such internal financing available in the past, there can be no assurance whatsoever of its willingness or ability to do so in the future. Neither the Developer nor any of its Relevant Entities has any legal obligation of any kind to make any such funds available or to obtain loans. Other than pointing out the willingness of the Developer to provide internal financing in the past, the Developer has not represented in any way that it will do so in the future. If and to the extent that internal financing and home sales revenues are inadequate to pay the costs to complete the Developer's planned development in the Community Facilities District and other financing by the Developer is not put into place, there could be a shortfall in the funds required to complete the proposed development by the Developer and portions of the Property may not be developed.

(15) The Developer consents to the issuance of the Bonds. The Developer acknowledges and agrees that the proceeds of such Bonds will be used for the acquisition and construction of the improvements described in the Preliminary Official Statement. The Developer acknowledges that the costs to acquire and construct such improvements are estimates, and that any increase in costs in excess of the estimated costs relating to improvements will reduce the improvements which may be financed by the Community Facilities District, and neither the Water District nor the Community Facilities District has any obligation to provide moneys to pay for any such costs.

(16) During the period between the date of this Letter of Representations and the Closing Date, if the Developer has actual knowledge of any event relating to or affecting the Developer, its Relevant Entities, or the acquisition, ownership, development or sale of the Property which could cause the information under the captions of the Preliminary Official Statement indicated in Section 8 of this Letter of Representations (and subject to the limitations and exclusions contained in Section 8 of this Letter of Representations) to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Developer shall notify the Community Facilities District and the Underwriter and if, in the opinion of counsel to the Community Facilities District or the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Preliminary Official Statement, the Developer shall reasonably cooperate with the Community Facilities District in the preparation of an amendment or supplement to the Preliminary Official Statement in form and substance satisfactory to counsel to the Community Facilities District and to the Underwriter.

(17) As a condition to the issuance of the Bonds, the Developer agrees to deliver a bring-down certificate, dated the Closing Date, in substantially the form attached as Exhibit C to the Purchase Agreement, to affirm and restate the Developer's certifications, representations and covenants made in this Letter of Representations. If any event related to or affecting the Developer, its Relevant Entities or the acquisition, ownership, development or sale of the Property occurs, as a result of which it is necessary to modify the bring-down certificate, the Developer agrees to deliver a new bring-down certificate revised to reflect such event.

(18) The Developer acknowledges and agrees that:

(i) in connection with the purchase and sale of the Bonds under the Purchase Agreement, and with the discussions, undertakings and procedures leading up to the consummation of the purchase and sale of the Bonds under the Purchase Agreement, the Underwriter is and has been acting solely as principal and is not acting as the agent or fiduciary of the Developer,

(ii) the Underwriter has not assumed a fiduciary responsibility in favor of the Developer with respect to (a) the offering of the Bonds contemplated hereby or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Developer on other matters), or (b) any other obligation to the Developer with respect to the offering contemplated by the Purchase Agreement, and

(iii) the Developer has consulted its own legal, financial and other advisors to the extent it has deemed appropriate in connection with the offering contemplated by the Purchase Agreement.

On behalf of the Developer, the undersigned has reviewed the contents of this Letter of Representations and the Developer has consulted with counsel regarding the meaning of its contents. The Developer acknowledges and understands that a variety of state and federal laws, including but not limited to the Securities Act of 1933, as amended, and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, as amended, may apply to the Developer, and that under some

circumstances certification as to the matters set forth in this Letter of Representations, without additional disclosures or other action, may not fully discharge all duties and obligations of the Developer under such laws.

The undersigned has executed this Letter of Representations solely in his capacity as an authorized representative of Developer and he will have no personal liability arising from or relating to this Letter of Representations. Any liability arising from or relating to this Letter of Representations may only be asserted against the Developer.

LENNAR HOMES OF CALIFORNIA, INC.,
a California corporation

By: _____

Name: _____

Title: _____

[EXECUTION PAGE OF LETTER OF REPRESENTATIONS –
LENNAR HOMES OF CALIFORNIA, INC.]

EXHIBIT C

FORM OF BRING-DOWN CERTIFICATE OF THE DEVELOPER

**COMMUNITY FACILITIES DISTRICT NO. 2014-67 (TR. 30422-3 / TR. 36437)
OF EASTERN MUNICIPAL WATER DISTRICT
IMPROVEMENT AREA A 2019 SPECIAL TAX BONDS**

BRING-DOWN CERTIFICATE OF LENNAR HOMES OF CALIFORNIA, INC.

The undersigned certifies and represents that he or she is duly authorized on behalf of LENNAR HOMES OF CALIFORNIA, INC., a California corporation (the "Developer"), to execute and deliver this bring-down certificate (this "Bring-Down Certificate") in connection with the issuance, sale and delivery by Community Facilities District No. 2014-67 (TR. 30422-3 / TR. 36437) of Eastern Municipal Water District (the "Community Facilities District") of the bonds captioned above (the "Bonds").

This Bring-Down Certificate is delivered pursuant to the Bond Purchase Agreement with respect to the Bonds dated _____, 2019, between Stifel, Nicolaus & Company, Incorporated, as underwriter, and the Community Facilities District (the "Purchase Agreement").

In connection with the distribution of the Preliminary Official Statement relating to the Bonds, the Developer executed a Letter of Representations of Lennar Homes of California, Inc. dated _____, 2019 (the "Letter of Representations").

Capitalized terms used but not defined in this Bring-Down Certificate have the same meanings as set forth in the Purchase Agreement and the Letter of Representations.

The undersigned, on behalf of the Developer, further certifies as follows:

(1) The undersigned is familiar with the facts certified in the Letter of Representations and this Bring-Down Certificate, and is authorized and qualified to certify the same as an authorized representative of the Developer.

(2) Each statement made in the Letter of Representations is affirmed and restated as if made on the date hereof; provided that each statement made in the Letter of Representations referring to the Preliminary Official Statement is affirmed as it relates to the Official Statement dated _____, 2019 relating to the Bonds (the "Final Official Statement").

(3) To the Actual Knowledge of the Undersigned (as defined in the Letter of Representations), no event has occurred since the date of the Preliminary Official Statement that has, in any material way, adversely affected

(i) the business, properties, operations, prospects or financial condition of the Developer,

(ii) the Developer's ability to acquire, own, develop and sell the Property, or

(iii) the Developer's ability to pay Special Taxes on the Property (to the extent the responsibility of the Developer) prior to delinquency.

(4) For a period of 90 days after the Closing Date, if the Developer has actual knowledge of any event relating to or affecting the Developer, its Relevant Entities, or the acquisition, ownership development or sale of the Property which could cause the information under the captions of the Final Official Statement indicated in Section 8 of the Letter of Representations (and subject to the limitations and exclusions contained in Section 8 of the Representations) to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Developer shall notify the Community Facilities District and the Underwriter and if, in the opinion of counsel to the Community Facilities District or the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Final Official Statement, the Developer shall reasonably cooperate with the Community Facilities District in the preparation of an amendment or supplement to the Final Official Statement in form and substance satisfactory to counsel to the Community Facilities District and to the Underwriter.

The undersigned has executed this Bring-Down Certificate solely in his or her capacity as an authorized representative of Developer and he or she will have no personal liability arising from or relating to this Bring-Down Certificate. Any liability arising from or relating to this Bring-Down Certificate may only be asserted against the Developer.

Dated: _____, 2019

LENNAR HOMES OF CALIFORNIA, INC.,
a California corporation

By: _____

Name: _____

Title: _____

EXHIBIT D

**COMMUNITY FACILITIES DISTRICT NO. 2014-67 (TR. 30422-3 / TR. 36437)
OF EASTERN MUNICIPAL WATER DISTRICT
IMPROVEMENT AREA A 2019 SPECIAL TAX BONDS**

FORM OF DEVELOPER'S COUNSEL OPINION

A. A letter of counsel to Lennar Homes of California, Inc., a California corporation (the "Developer"), which may be in-house counsel or an outside law firm engaged by the Developer in connection with the issuance of the Bonds, or both, collectively to the effect that:

1. No information came to the attention of the lawyers in such counsel's firm or office rendering legal services in connection with its representation of the Developer that caused such counsel to believe that, as of the date of the Official Statement and as of the date of such letter, the information in the sections of the Preliminary Official Statement entitled "PROPERTY OWNERSHIP AND THE DEVELOPMENT," concerning the Developer and its Relevant Entities, the Property, the Developer's development and financing plans, and the Developer's contractual arrangements (but excluding any information cited as coming from a source other than the Developer) (except that no belief is expressed as to (a) any financial statements and other financial, statistical, economic, demographic, or engineering data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions, or expressions of opinion, or (b) any information about valuation, appraisals, market absorption, archaeological, or environmental matters), contained or contain any untrue statement of a material fact or omitted or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

EXHIBIT E

\$ _____
**COMMUNITY FACILITIES DISTRICT NO. 2014-67 (TR. 30422-3 / TR. 36437)
OF EASTERN MUNICIPAL WATER DISTRICT
IMPROVEMENT AREA A 2019 SPECIAL TAX BONDS**

FORM OF ISSUE PRICE CERTIFICATE

[TO COME AT PRICING]