

JOINT COMMUNITY FACILITIES AGREEMENT

by and among

EASTERN MUNICIPAL WATER DISTRICT

AND

MENIFEE UNION SCHOOL DISTRICT

AND

PINEHURST, LLC

**RELATING TO
COMMUNITY FACILITIES DISTRICT NO. 2002-07 (PACIFIC MAYFIELD)
OF THE EASTERN MUNICIPAL WATER DISTRICT
(IMPROVEMENT AREAS A THROUGH E THEREIN)**

Dated _____, 2019

**JOINT COMMUNITY FACILITIES AGREEMENT
BY AND AMONG
EASTERN MUNICIPAL WATER DISTRICT
AND
MENIFEE UNION SCHOOL DISTRICT
AND PINEHURST, LLC**

**(Community Facilities District No. 2002-07 (Pacific Mayfield)
of Eastern Municipal Water District)**

THIS JOINT COMMUNITY FACILITIES AGREEMENT (“Agreement”) is made and entered into as of the ____ day of _____, 2019, by and among EASTERN MUNICIPAL WATER DISTRICT, County of Riverside, State of California, a municipal water district organized and operating pursuant to the Municipal Water District Law of 1911 as set forth in the California Water Code (“EMWD”), the MENIFEE UNION SCHOOL DISTRICT, a California public school district organized and operating pursuant to the applicable provisions of the California Education Code and the California Constitution (“School District”) and PINEHURST, LLC, a California limited liability company (“Property Owner”).

R E C I T A L S:

A. Property Owner is the owner or developer of certain real property located within the boundaries of EMWD and School District, consisting of approximately 67 lots on approximately 15.10 gross acres within Improvement Area A, 123 lots on approximately 35.56 gross acres within Improvement Area B, 269 lots on approximately 52.91 gross acres within Improvement Area C, 242 lots on approximately 62.96 gross acres within Improvement Area D of the CFD (defined below) and 137 lots on approximately 48.55 gross acres within Improvement Area E of the CFD (defined below) (collectively the “Project”) in the County of Riverside (“County”) and as more fully described in Exhibit “A” attached hereto (the “Property”).

B. Pursuant to that certain School Facilities Funding and Mitigation Agreement, by and between the School District and Property Owner dated as of _____, 2019 (the “Mitigation Agreement”), in lieu of the statutory school fees, the Property Owner shall pay the Mitigation Payment (as defined in the Mitigation Agreement) to the School District in accordance with the terms of the Mitigation Agreement, which may be paid, in whole or in part, from Bond Proceeds (defined below) of Community Facilities District No. 2002-07 (Pacific Mayfield) of Eastern Municipal Water District (the “CFD”) issued on behalf of Improvement Areas A, B, C, D & E therein. The EMWD Facilities (defined below) and School Facilities (defined herein) are sometimes collectively referred to herein as the “Facilities.”

C. Property Owner and School District entered into a Purchase and Sale Agreement And Escrow Instructions dated December 14, 2004 (“Purchase Agreement”) related to a 14 acre site adjacent to the Project (“School Site”). Pursuant to Section 2 of the Purchase Agreement, Property Owner received a credit against School District school fees in the amount of \$2,900,000 (“School Site Purchase Price”).

D. EMWD is authorized by Section 53313.5 of the Act to finance, by means of the CFD, the School Facilities. This Agreement constitutes a “joint community facilities agreement” (“JCFA”) within the meaning of Section 53316.2 of the Act by and among EMWD, School District and Property Owner, pursuant to which the CFD will be authorized to finance the School Facilities. The Parties previously entered into a JCFA dated March 19, 2003 (“Prior JCFA”), which expired on July 1, 2010. This Agreement supersedes and replaces the Prior JCFA in its entirety. As provided by Section 53316.6 of the Act, responsibility for constructing, maintaining and operating the EMWD Facilities is EMWD’s to the extent set forth herein and responsibility for constructing, providing and operating the School Facilities is delegated to School District.

E. The provision of the EMWD Facilities and School Facilities is necessitated by the Project, and the Parties hereto find and determine that the residents of EMWD, School District and CFD will be benefited by the financing of the EMWD Facilities and School Facilities, and that this Agreement is beneficial to the interests of such residents.

ARTICLE I

GENERAL PROVISIONS

Section 1.1. Recitals.

The above recitals are true and correct and are hereby incorporated by this reference.

Section 1.2. Definitions.

Unless the context clearly otherwise requires, the terms defined in this Section shall, for all purposes of this Agreement, have the meanings herein specified.

(a) “Act” means the Mello-Roos Community Facilities Act of 1982, as amended, commencing with California Government Code Section 53311, et seq.

(b) “Agreement” means this Joint Communities Facilities Agreement.

(c) “Bond Proceeds” shall mean those net funds generated by the sale of the Bonds.

(d) “Bond Resolution” means that Resolution, Resolution Supplement, Fiscal Agent Agreement, Indenture of Trust or other equivalent document(s) providing for the issuance of the Bonds.

(e) “Bonds” shall mean those bonds, or other securities, issued by, or on behalf of the CFD, as authorized by the qualified electors within each Improvement Area of the CFD.

(f) “CFD” means Community Facilities District No. 2002-07 of the Eastern Municipal Water District and Improvement Areas A through E therein.

(g) “Deposits” mean all amounts advanced to School District by Property Owner, including the School Site Purchase Price, or Property Owner’s successor in interest, (i) prior to the issuance and sale of Bonds and the funding of the School Fee Fund or (ii) at such time as the funds in the School Fee Fund have been temporarily depleted, as security for future payment, with Bond

Proceeds, of the Mitigation Payments due in connection with certificates of compliance issued by School District for lots within the Project.

(h) “Disbursement Request” means a request for payment relating to School Facilities in the form attached hereto as Exhibit “B.”

(i) “EMWD Facilities” means water facilities and sewer facilities including, but not limited to backbone sewer and water lines and other public facilities necessary for the provision of water and sewer services to the Project.

(j) “Improvement Area(s)” means Improvement Area A, Improvement Area B, Improvement Area C, Improvement Area D and/or Improvement Area E of the CFD.

(k) “Mitigation Payment or Payments” has the meaning set forth in the Mitigation Agreement.

(l) “Party” or “Parties” shall mean any one or all of the parties to this Agreement and the CFD.

(m) “Rate and Method” means each individual Rate and Method of Apportionment of the Special Tax authorizing the levy and collection of special taxes pursuant to proceedings undertaken for the formation of the CFD and the Improvement Areas therein pursuant to the Act.

(n) “School Facilities” means those school sites, school facilities, including classrooms, on-site office space at a school, central support and administrative facilities, interim housing, furniture, equipment, technology, busses, and transportation facilities needed by School District in order to serve the student population to be generated as a result of development of the property within the CFD and the Improvement Areas therein, and also includes costs associated with the maintenance and operation of school facilities in accordance with the Act.

(o) “School Fee Fund” means the fund(s), account(s) or sub-account(s) of the CFD (regardless of its designation within the Bond Resolution) into which a portion of the Bond Proceeds may be deposited in accordance with the Bond Resolution to finance the School Facilities.

(p) “State” means the State of California.

(q) “Special Taxes” means the special taxes authorized to be levied and collected pursuant to the Rate and Method.

ARTICLE II

FORMATION OF THE CFD AND ISSUANCE OF BONDS

Section 2.1. Formation of the CFD.

EMWD, pursuant to the written request of the Property Owner, completed proceedings pursuant to the Act for the formation of the CFD and the Improvement Areas therein, the authorization of the Special Taxes within the CFD and the Improvement Areas therein and the authorization of Bonds on behalf of the CFD and the Improvement Areas therein, with the qualified electors approving the levy of the Special Taxes and the sale of the Bonds.

Section 2.2. Issuance and Sale of Bonds.

The Board of Directors of EMWD, acting as the legislative body of the CFD, may, in its sole discretion, in accordance with its adopted policies, adopt the Bond Resolution and issue the Bonds. Within 30 days of the issuance of a series of Bonds, Property Owner shall notify School District of the estimated amount of proceeds to be deposited in the School Fee Fund.

If and when EMWD determines it will issue Bonds, it shall take such actions necessary in its reasonable discretion and in accordance with the terms of the Rate and Method to ensure that the total effective tax rate for completed homes within the CFD does not exceed 2%.

The Bonds shall be issued only if, in its sole discretion, the Board of Directors of EMWD determines that all requirements of State and Federal law and all EMWD policies have been satisfied or have been waived by EMWD. Nothing in this Agreement shall confer upon the School District or any owner of the Property, including the Property Owner, a right to compel the issuance of the Bonds or the disbursement of Bond Proceeds to fund School Facilities except in accordance with the terms of this Agreement.

Section 2.3. Bond Proceeds.

In the event that Bonds are issued, EMWD, or the CFD (as may be applicable), and Property Owner shall determine the amount of Bond Proceeds to be deposited into the School Fee Fund or any applicable accounts or subaccounts thereof. Nothing herein shall conflict with or supersede the Mitigation Agreement; however, School District agrees that Mitigation Payments made pursuant to the Mitigation Agreement shall be considered Deposits and subject to reimbursement pursuant to Section 2.4(a) of this Agreement. The purpose of this Agreement is to provide a mechanism by which the CFD may levy Special Taxes and issue Bonds to provide a source of funds to finance the Mitigation Payments.

Section 2.4. Disbursements for School Facilities.

(a) From time to time following the funding of the School Fee Fund, School District may notify EMWD in writing and request a disbursement from the School Fee Fund to fund School Facilities of an amount equal to all Deposits, or portion thereof, up to the amount on deposit in the School Fee Fund, by executing and submitting an executed Disbursement Request to EMWD. Upon receipt of such Disbursement Request completed in accordance with the terms of this Agreement, the CFD shall wire transfer or otherwise pay to School District such requested funds to the extent that Bond Proceeds are available in the School Fee Fund for such purpose. Upon School District's receipt of Bond Proceeds pursuant to such Disbursement Request, all Deposits shall be returned to Property Owner up to the amount of Bond Proceeds received by School District, and Mitigation Payments for all dwelling units for which such Deposits were returned shall be deemed fully satisfied.

(b) School District agrees that prior to submitting a Disbursement Request requesting payment from the CFD, it shall review and approve all costs included in its request and will either have already paid or incurred such costs of School Facilities from its own funds subsequent to the date of this Agreement, or will disburse such amounts to pay the costs of School Facilities following receipt of funds from the CFD. In the event that School District does not disburse any Bond Proceeds received by it to third parties within five banking days of receipt, it will trace and report to the CFD all earnings, if any, earned by School District, from the date of receipt of such Bond Proceeds by School

District to the date of expenditure by School District for capital costs of the School Facilities. School District agrees that in processing the above disbursements it will comply with all legal requirements for the expenditure of Bond Proceeds under the Internal Revenue Code of 1986 and any amendments thereto.

Section 2.5. Responsibility for Mitigation Payments.

(a) The Parties hereto acknowledge and agree that the final responsibility for the payment of the Mitigation Payments lies with Property Owner.

(b) If the amounts derived from Bond Proceeds for School Facilities deposited in the School Fee Fund, including investment earnings thereon, if any, are not sufficient to fund the total cost of the Mitigation Payments, the Parties hereto agree that all responsibility and liability for the amount of such shortfall shall be and remain with Property Owner, and shall not lie with the CFD, School District, or EMWD.

(c) School District agrees to utilize or apply funds provided to it by the CFD, in accordance with the Act, the Local Agency Special Tax and Bond Accountability Act (described in Section 4.1 hereof), in compliance with the requirements of federal tax law which is necessary in order for interest on the Bonds to be excluded from the gross income of the recipients for federal income tax purposes, and in accordance with other applicable law, and as set forth herein.

Section 2.6. Administration of the CFD.

EMWD shall have the power and duty to provide for the administration of the CFD, subject to the terms hereof and the Bond Resolution, including employing and compensating all consultants and providing for the various other administration duties set forth in this Agreement. It is understood and agreed by Parties hereto that School District was not or will not be considered a participant in the proceedings relative to formation of the CFD or the issuance of the Bonds, other than as a Party to this Agreement.

ARTICLE III

TERM AND TERMINATION

Section 3.1. Effective Date.

This Agreement shall become effective and of full force and effect as of the date (“Effective Date”) it is approved and executed by the Governing Board of School District, by Property Owner and the Board of Directors of EMWD, to be confirmed by the execution hereof by the authorized representatives of the Parties hereto.

Section 3.2. Termination.

If EMWD determines and notifies Property Owner and School District in writing that the CFD is unable to complete the sale of the Bonds, any obligation of the Parties, if any, to finance all or any portion of the Mitigation Payments with CFD Bond Proceeds pursuant to this Agreement shall automatically terminate and be of no further force or effect.

ARTICLE IV

ADDITIONAL GENERAL PROVISIONS

Section 4.1. Recordkeeping; Inspection of Records.

School District hereby agrees to keep and maintain full and accurate records of all amounts, if any, paid to School District for Mitigation Payments and investment earnings thereon and EMWD or the CFD, or the Fiscal Agent on their behalf, hereby agrees to keep and maintain full and accurate records of all amounts, and investment earnings, if any, disbursed to School District from the School Fee Fund. Each Party further agrees to make such records available to any other Party hereto, including Property Owner, during normal business hours upon reasonable prior notice. All such records shall be kept and maintained by the appropriate Party as provided by applicable law and their respective policies. School District and Property Owner agree that they will cooperate with the CFD and EMWD in providing documentation, reports or other data reasonably required and requested by EMWD or the CFD in meeting the reporting requirements of the CFD under Sections 50075.1, 50075.3, and 50075.5 and Article 1.5 (commencing with Section 53410) of Chapter 3 of Part 1 of Division 2 of Title 5 of, the Government Code (collectively, the "Local Agency Special Tax and Bond Accountability Act"). School District's reporting obligations pursuant to this Section shall be limited to providing reports or other data detailing the following: (A) the amount of CFD funds received by School District to fund School Facilities, (B) the amount of such CFD funds deposited in separate funds or accounts of School District reflecting Mitigation Payments and the number of dwelling units for which such Mitigation Payments apply, and (C) School Facilities that have been acquired or constructed, in whole or in part, with CFD funds. School District's reporting obligation shall terminate when all CFD funds have been disbursed from the School Fee Fund, or from any account or subaccount thereof that has been allocated Bond Proceeds to finance Mitigation Payments, and School District has provided to EMWD a report for the last disbursement received by School District. If no CFD funds have been received by School District or used to finance School Facilities since the previous report, no report shall be required and EMWD may rely upon the previous reports.

Section 4.2. Partial Invalidity.

If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

Section 4.3. Successors and Assigns.

Property Owner may assign its rights pursuant to this Agreement to a purchaser of the Property, or any portion thereof, and such purchaser and assignee shall assume the obligations of Property Owner pursuant to this Agreement and to be bound thereby. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties hereto.

Section 4.4. Notice.

Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to any Party or other person shall be deemed to have been received when personally delivered or upon deposit of the same in the United States Post Office registered or certified, postage prepaid, addressed as follows:

EMWD: Eastern Municipal Water District
P.O. Box 8300
Perris, CA 92572-8300
Attention: Special Funding Districts Coordinator

With a copy to: Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, CA 92660
Attn: Brad Neal, Esq.

School District: Menifee Union School District
29775 Haun Road
Menifee, CA 92586
Attention: Assistant Superintendent, Business Services

With a copy to: Fagen Friedman & Fulfroest LLP
1525 Faraday Avenue, Suite 300
Carlsbad, CA 92011
Attention: Kelley Owens, Esq.

Property Owner: Pinehurst, LLC
1000 Dove St., Suite 300
Newport Beach, CA 92660
Attn: Nelson Chung

Each Party can change its address for delivery of notice by delivering written notice of such change or address to the other Parties within ten (10) calendar days prior to such change.

Section 4.5. Indemnification.

(a) Indemnification by EMWD and the CFD. EMWD shall assume the defense of, indemnify and save harmless, School District and its respective officers, employees, and agents, and each and every one of them, from and against all actions, damages, claims, losses, or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of EMWD with respect to this Agreement and the issuance of Bonds; provided, however, that EMWD shall not be required to indemnify any person or entity as to damages resulting from negligence or willful misconduct of such person or entity or their officers, agents, or employees.

(b) Indemnification by Property Owner. Property Owner shall assume the defense of, indemnify and save harmless, EMWD, the CFD, and the School District, their respective officers, employees, and agents, and each and every one of them, from and against all actions, damages, claims, losses, or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of Property Owner with respect to this Agreement; provided, however, that Property Owner shall not be required to indemnify any person or entity as to damages resulting from negligence or willful misconduct of such person or entity or their officers, agents, or employees.

(c) Indemnification by School District. School District shall assume the defense of, indemnify and save harmless, EMWD, the CFD and the Property Owner and their respective

officers, employees, and agents, and each and every one of them, from and against all actions, damages, claims, losses, or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of School District with respect to this Agreement, and the financing, design, engineering, and construction of the School Facilities and/or the use of CFD funds by the School District; provided, however, that School District shall not be required to indemnify any person or entity as to damages resulting from negligence or willful misconduct of such person or entity or their officers, agents, or employees.

Section 4.6. Captions.

The captions to Sections used herein are for convenience purposes only and are not part of this Agreement.

Section 4.7. Governing Law.

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California applicable to contracts made and performed in said State.

Section 4.8. Entire Agreement.

This Agreement contains the entire agreement between the Parties with respect to the matters provided for herein and supersedes all prior agreements and negotiations between the Parties with respect to the subject matter of this Agreement.

Section 4.9. Amendments.

This Agreement may be amended or modified only in writing executed by the authorized representative(s) of each of the Parties hereto.

Section 4.10. Waiver.

The failure of any Party hereto to insist on compliance within any of the terms, covenants or conditions of this Agreement by any other Party hereto, shall not be deemed a waiver of such terms, covenants or conditions of this Agreement by such other Party, nor shall any waiver constitute a relinquishment of any other right or power for all or any other times.

Section 4.11. Cooperation and Execution of Documents.

The Parties hereto agree to complete and execute any further or additional documents which may be necessary to complete or further the terms of this Agreement.

Section 4.12. Attorneys' Fees.

In the event of the bringing of any action or suit by any Party against any other Party arising out of this Agreement, the Party in whose favor final judgment shall be entered shall be entitled to recover from the losing Party all costs and expenses of suit, including reasonable attorneys' fees.

Section 4.13. Exhibits.

The following exhibits attached hereto are incorporated into this Agreement by reference.

Exhibit	Description
“A”	Property Description
“B”	Disbursement Request Form

Section 4.14. Signatories.

The signatories hereto represent that they have been appropriately authorized to enter into this Agreement on behalf of the Party for whom they sign.

Section 4.15. Execution in Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed an original.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Community Facilities Agreement as of the day and year written above.

MENIFEE UNION SCHOOL DISTRICT

By: _____
President of the Board of Education
of the Menifee Union School District

ATTEST:

By: _____
Clerk of the Board of Education of
the Menifee Union School District

Property Owner:

PINEHURST, LLC,
a California limited liability company

By: Pacific Communities Builder, Inc.,
a California corporation, its manager

By: _____
Nelson Chung, Manager

EASTERN MUNICIPAL WATER DISTRICT

By: _____
Paul D. Jones II, General Manager

ATTEST:

By: _____
Sheila Zelaya, Board Secretary

EXHIBIT "A"

PROPERTY DESCRIPTION

2014-0145435
original

FOURTH AMENDED BOUNDARY MAP

SHEET 1 OF 4 SHEETS

**EASTERN MUNICIPAL WATER DISTRICT
COMMUNITY FACILITIES DISTRICT NO. 2002-07 (PACIFIC MAYFIELD)
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

THIS MAP AMENDS AND SUPERCEDES THE THIRD AMENDED BOUNDARY MAP FOR EASTERN MUNICIPAL WATER DISTRICT COMMUNITY FACILITIES DISTRICT NO. 2002-07 (PACIFIC MAYFIELD), RIVERSIDE COUNTY, STATE OF CALIFORNIA, PRIOR RECORDED AT BOOK 76 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGES 74-77, AS INSTRUMENT NO. 2014-0069832, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, STATE OF CALIFORNIA.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED THIRD AMENDED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2002-07 (PACIFIC MAYFIELD) OF THE EASTERN MUNICIPAL WATER DISTRICT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF DIRECTORS OF EASTERN MUNICIPAL WATER DISTRICT OF RIVERSIDE COUNTY AT A REGULAR MEETING THEREOF, HELD ON THE 16th DAY OF April, 2014, BY RESOLUTION NO. 2014-048

Rosemarie V. Navard
SECRETARY OF THE BOARD OF DIRECTORS
EASTERN MUNICIPAL WATER DISTRICT

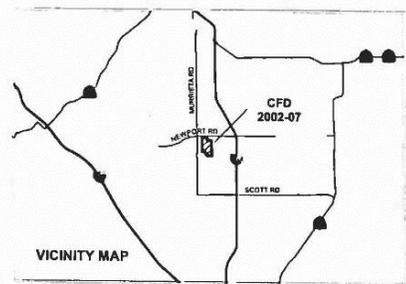
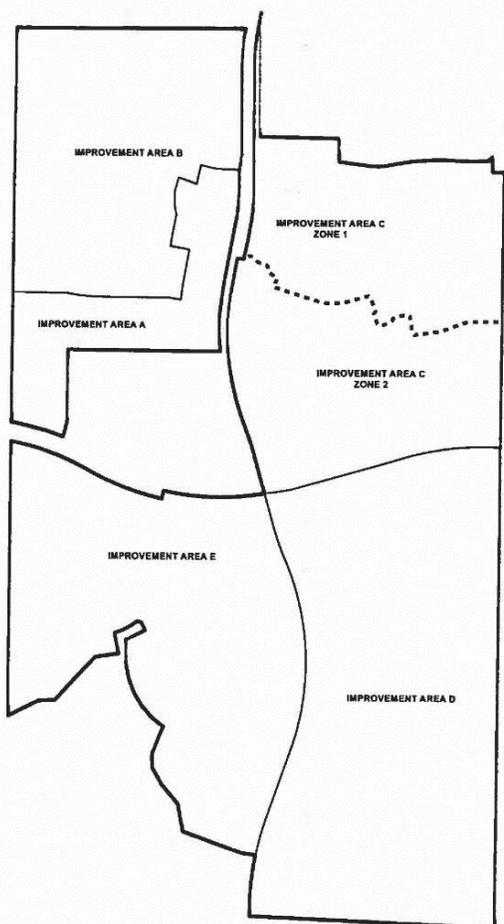
FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF DIRECTORS OF EASTERN MUNICIPAL WATER DISTRICT THIS 16th DAY OF April, 2014.

Rosemarie V. Navard
SECRETARY OF THE BOARD OF DIRECTORS
EASTERN MUNICIPAL WATER DISTRICT

RECORDED THIS 22nd DAY OF April, 2014 AT THE HOUR OF 12:30 O'CLOCK P.M. IN BOOK 76 PAGE 91-94 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

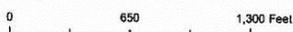
FEE: \$11.00 NO.: 2014-0145435
LARRY W. WARD, ASSESSOR, COUNTY CLERK, RECORDER

BY: *[Signature]*
DEPUTY



LEGEND

- PROPOSED COMMUNITY FACILITIES DISTRICT BOUNDARY
- PROPOSED IMPROVEMENT AREA BOUNDARY
- PROPOSED ZONE BOUNDARY
- SHEET NUMBER



W.O. 13-0314



THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCELS REFER TO THE COUNTY ASSESSOR'S MAPS FOR FISCAL YEAR 2013-2014.

EXHIBIT "B"

DISBURSEMENT REQUEST FORM

1. Community Facilities District No. 2002-07 (Pacific Mayfield) of the Eastern Municipal Water District ("CFD No. 2002-07") is hereby requested to pay from the School Fee Fund, or any applicable account or subaccount thereof, established by CFD No. 2002-07 in connection with its Special Tax Bonds (the "Bonds") to Menifee Union School District ("MUSD"), as payee, the sum set forth below:

\$ _____ (the "Requested Amount")

For Tract No(s). _____ Lot Nos. _____

2. The Requested Amount is due and payable, has not formed the basis of any prior request or disbursement and is being made with respect to the obligation of the Property to pay Mitigation Payments to MUSD.

3. The Requested Amount is authorized and payable pursuant to the terms of that certain Joint Community Facilities Agreement, dated as of _____, 2019, by and among Menifee Union School District, Pinehurst, LLC, a California limited liability company, and EMWD (the "JCFA") and the School Facilities Funding and Mitigation Agreement, by and between the School District and Pinehurst, LLC, a California limited liability company dated as of _____, 2019 (the "Mitigation Agreement"). By requisitioning Bond proceeds as described above, MUSD is not passing upon, determining or assuming the tax-exempt status of the Bonds for federal or California income tax purposes.

4. Capitalized undefined terms used herein shall have the meanings ascribed to them in the JCFA.

Date: _____

Pinehurst, LLC,
a California limited liability company

By: Pacific Communities Builder, Inc.,
a California corporation, its manager

By: _____
Nelson Chung, Manager

Date: _____

MENIFEE UNION SCHOOL DISTRICT

By: _____
