

JOINT COMMUNITY FACILITIES AGREEMENT

by and among

MORENO VALLEY UNIFIED SCHOOL DISTRICT

and

EASTERN MUNICIPAL WATER DISTRICT

and

BEAZER HOMES HOLDINGS, LLC

JOINT COMMUNITY FACILITIES AGREEMENT

THIS JOINT COMMUNITY FACILITIES AGREEMENT (“Facilities Agreement”), dated as of _____, 2019 (“Effective Date”), is entered into by and among the MORENO VALLEY UNIFIED SCHOOL DISTRICT, a public school district organized and existing under the laws of the State of California (“School District”), the EASTERN MUNICIPAL WATER DISTRICT, a municipal water district organized and existing under the laws of the State of California (“Water District”), and BEAZER HOMES HOLDINGS, LLC., a limited liability company organized and existing under the laws of the State of Delaware (“Developer”), as relates to proposed Community Facilities District No. 2018-1 of the Moreno Valley Unified School District (“Community Facilities District”). The foregoing named parties may be referred to herein individually as “Party” or collectively as “Parties.”

WITNESSETH:

WHEREAS, Developer is the owner of certain real property (“Property”) located within the boundaries of the School District and the boundaries of the Water District and described in Exhibit “A”;

WHEREAS, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (“Act”) the Developer and the Governing Board of the School District have established the Community Facilities District, the boundaries of which include the Property;

WHEREAS, the Board has also authorized the issuance of bonds (“Bonds”) secured by the levy of special taxes (“Special Taxes”) within the Community Facilities District in order to finance the acquisition or construction of public facilities;

WHEREAS, the Property currently exists as Zone “C” in Tract No. 36933, formerly known as Tract No. 32835 (“Zone C”), within Community Facilities District No. 2005-5 of the Moreno Valley Unified School District (“CFD No. 2005-5”), previously formed and approved by the Governing Board of the School District (“Board”) on the 27th day of June, 2006, through Resolution No. 2005-06-100;

WHEREAS, the School District has formed the Community Facilities District to overlay Zone C of CFD No. 2005-5 and authorized the cancellation of the special taxes of CFD No. 2005-5 within Zone C and, subject to such cancellation, the levying of the Special Taxes over the Property subject to the approval and execution of a mitigation agreement by the School District and the Developer;

WHEREAS, the facilities eligible to be financed by the Community Facilities District include certain school facilities to be owned and operated by the School District (“School District Facilities”), as described in Exhibit “B,” and certain public facilities to be constructed and owned and operated by the Water District (“Water District Facilities”), in lieu of the payment of Fees (defined herein), as described in Exhibit “B,” all in order to accommodate development within the School District and the Water District, including the Property;

WHEREAS, Section 53316.2 of the Act provides that a community facilities district may finance facilities to be owned or operated by a public agency other than the agency that created the community facilities district only pursuant to a joint community facilities agreement or a joint exercise of powers agreement adopted pursuant to said Section;

WHEREAS, Section 53316.2 of the Act further provides the legislative bodies of two or more local agencies may enter into a joint community facilities agreement pursuant to said Section and Sections 53316.4 and 53316.6 of the Act to exercise any power authorized by the Act with respect to the community facilities district being created if the legislative body of each entity adopts a resolution declaring that such a joint agreement would be beneficial to the residents of that entity;

WHEREAS, subsection (e) of Section 53316.2 of the Act provides that, notwithstanding any other provision of the Act, no local agency which is party to a joint exercise of powers agreement or joint community facilities agreement shall have primary responsibility for formation of a community facilities district unless that agency is one or more of certain specified types of agencies, including an agency that is reasonably expected to have responsibility for providing facilities or services to be financed by a larger share of the proceeds of special taxes and bonds of the community facilities district or districts created pursuant to the joint exercise of powers agreement or the joint community facilities agreement than any other local agency;

WHEREAS, the School District has determined that the School District Facilities will be financed by a larger share of the proceeds of the Special Taxes and the Bonds than the Water District Facilities;

WHEREAS, the Water District levies and collects certain fees on new development within the Water District, including the development of the Property, to finance the construction of water and sewer facilities and the acquisition of capacity in the Water District's water and sewer systems Developer has requested that the Community Facilities District finance the Water District Facilities that would otherwise be funded with the proceeds of Water District fees payable with respect to development of the Property;

WHEREAS, the Water District has agreed to provide Developer with a credit against payment of fees to the extent that proceeds of the Bonds are made available to the Water District to pay the costs of Water District Facilities, as described herein;

WHEREAS, in conjunction with the issuance of building permits for the construction of homes on the Property and/or receipt of water meters for such homes, the Developer, or its successors or assigns, may elect to advance Water District Facilities costs in lieu of payment of Water District fees (the "Advances") before Bond proceeds are available in sufficient amounts to pay for Water District Facilities. In such case, the Developer shall be entitled to (i) reimbursement of such Advances from Water District and (ii) credit against Water District fees which would otherwise be due to the Water District equal to the amount of Bond proceeds disbursed to the Water District for Water District Facilities, all as further described herein; and

WHEREAS, the School District, the Water District, and Developer desire to enter into this Facilities Agreement in accordance with Sections 53316.2, 53316.4 and 53316.6 of the Act in order to provide for the financing of the Water District Facilities through the issuance of Bonds by the Community Facilities District.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the Parties hereto agree as follows:

Section 1. Recitals. Each of the above recitals is true and correct and is incorporated herein.

Section 2. Effective Date. This Facilities Agreement shall become effective and binding upon the Parties hereto upon the Effective Date.

Section 3. Proposed Formation of the Community Facilities District. The School District will be solely responsible for conducting proceedings for the formation of the Community Facilities District and authorization of the levy of the Special Taxes and the issuance of the Bonds and, if required by the School District as provided in any mitigation agreement or other agreement between the School District and Developer, an action under Section 860 *et seq.* of the California Code of Civil Procedure relating thereto if the Governing Board of the School District determines in its sole discretion that such action is appropriate. The School District will retain, at the expense of the Developer, the necessary consultants to conduct the proceedings for the formation of the Community Facilities District. The School District shall limit the Special Taxes of CFD No. 2018-1 such that: a) the total cumulative burden of the Special Taxes and other overlapping general property taxes and assessments applicable to the homes within the Property (hereinafter referred to as the “overlapping tax rate”) will be at or below 2.0 percent (2%) of the assessed or appraised value at the time CFD No. 2018-1 is formed as represented by the Developer; and b) the overlapping tax rate will be at or below 2.0 percent (2%) of assessed or appraised value at the time any debt issuance is approved by the Governing Board of the School District.

Section 4. Issuance of Bonds. In the event that the Community Facilities District is formed, it is anticipated that the Governing Board of School District, acting as the legislative body of the Community Facilities District, will issue the Bonds to finance the acquisition, construction and installation of the School District Facilities and the Water District Facilities. The Governing Board of the School District, acting as the legislative body of Community Facilities District, shall, in its sole discretion, determine whether, when, under what conditions and to what extent the Bonds shall be issued to finance the acquisition, construction and installation of the School District Facilities, the Water District Facilities, or any combination thereof. The Bonds shall be issued only if all requirements of State and Federal law and all School District policies have been satisfied or waived by the School District. In no event shall the Water District or the Developer have any right to compel the Community Facilities District to issue the Bonds.

Section 5. Water District Facilities.

(a) The Water District Facilities eligible to be funded by the Community Facilities District are described in Exhibit “B” attached hereto.

(b) It is anticipated that the Community Facilities District will provide Bond proceeds to finance all, or a portion of, the Water District Facilities. If the Community Facilities District issues the Bonds, a portion of the proceeds of which are to be available to finance the Water District Facilities, the School District shall, or shall cause the Community Facilities District to, notify the Water District of the amount of such proceeds available for such purpose within 15 days of such proceeds becoming so available. As Bond proceeds are transferred to the Water District and reserved to fund Water District Facilities, as described in Section 6 below, the Developer shall receive a credit in the amount transferred against the payment of fees. The School District makes no representation that, if proceeds of Bonds are made available to finance the Water District Facilities, such proceeds will be sufficient to finance the acquisition, construction and installation of all of the Water District Facilities, and neither the School District nor the Community Facilities District shall have any liability to the Water District if such proceeds are insufficient for such purpose. If the Community Facilities District does not issue Bonds to finance the Water District Facilities, neither the School District nor the Community Facilities District shall have any obligation to provide any amounts to finance or pay the costs of the Water District Facilities.

(c) The Water District shall apply proceeds of the Bonds to the payment of costs of construction of any portion of the Water District Facilities only if such portion of the Water District Facilities is constructed under the direction and supervision, or under the authority of the Water District or is constructed as if it had been constructed under the direction and supervision, or under the authority of the Water District.

Section 6. Disbursements.

(a) Bond proceeds available for the acquisition, construction and installation of the Water District Facilities shall be deposited in a special fund or account (howsoever the same may be denominated, the “Water District Facilities Account”) to be established under the fiscal agent agreement, indenture or other instrument pursuant to which the Bonds are issued (howsoever the same may be denominated). Moneys on deposit in the Water District Facilities Account shall be invested and disbursed at the direction of the Community Facilities District.

(b) Upon the funding of the Water District Facilities Account, the Developer shall notify the Water District of the amount of Bond proceeds to be reserved to fund Water District Facilities and the Water District may execute and submit a request for payment relating to Water District Facilities in the form attached hereto as Exhibit “C” (a “Disbursement Request”) for payment to the Water District requesting disbursement of an amount equal to all Advances from the Water District Facilities Account. Upon Water District’s receipt of funds pursuant to such Disbursement Request, the Developer shall receive reimbursement of the Advances from the Water District.

(c) From time to time following the funding of the Water District Facilities Account, the Developer may notify Water District in writing and request a disbursement from the Water

District Facilities Account to fund Water District Facilities by executing and submitting a Disbursement Request. Upon receipt of such Disbursement Request completed in accordance with the terms of this Facilities Agreement, the School District shall cause the Community Facilities District to wire transfer or otherwise pay to Water District such requested funds to the extent that Bond proceeds are available in the Water District Facilities Account for such purpose. Upon such notice and Water District's receipt of such disbursement relating to Water District Facilities, Developer shall be deemed to have satisfied the applicable Water District Fees with respect to the number of dwelling units or lots for which the Water District Fees would otherwise have been required in an amount equal to such disbursement.

(d) The Community Facilities District shall process in a timely manner all Disbursement Requests received from the Water District that conform to the requirements hereof. The Water District shall provide the Developer with a credit against fees otherwise payable with respect to the development of the Property on a dollar for dollar basis with respect to any disbursement from the Water District Facilities Account received by the Water District.

(e) The Water District agrees that prior to executing and submitting a Disbursement Request to the Community Facilities District, it shall review and approve all costs included in such request and will have already paid or incurred such costs of the Water District Facilities from its own funds subsequent to the date of this Facilities Agreement, or will disburse such amounts to pay the costs of the Water District Facilities following receipt of funds from the Community Facilities District for the Property. In the event that the Water District does not disburse any Bond proceeds received by it to third parties within five (5) business days of receipt, it will trace and report to the Community Facilities District all earnings, if any, earned by the Water District, from the date of receipt of such Bond proceeds to the date of expenditure for costs of the Water District Facilities. If required by the preceding sentence, such report shall be delivered at least semiannually until all Bond proceeds received are expended by the Water District.

(f) The Water District agrees to maintain adequate internal controls over its payment function and to maintain accounting records in accordance with generally accepted accounting procedures as to receipt and expenditure of Bond proceeds for Water District Facilities. The Water District will, upon request, provide the School District and/or the Developer with access to the Water District's records related to the Water District Facilities and will provide to the School District its annual financial report certified by an independent certified public accountant for purposes of assisting the School District in calculating the arbitrage rebate obligation of the Community Facilities District, if any.

(g) The School District or the Community Facilities District agrees to maintain full and accurate records of all amounts, and investment earnings, if any, expended from the Water District Facilities Account. The School District or the Community Facilities District will, upon request, provide the Water District and/or the Developer with access to the School District's or Community Facilities District's records related to the Water District Facilities Account.

Section 7. Construction, Ownership and Maintenance of School District Facilities. The Water District shall have no responsibility for the acquisition, construction and installation of the School District Facilities. The School District Facilities shall be and remain the sole and separate properties of the School District and shall be operated, maintained and utilized

by the School District. The Water District shall not have any ownership interest in the School District Facilities or the Other Agency Facilities, and the Water District shall have no responsibility for the operation, maintenance or utilization of the School District Facilities or the Other Agency Facilities.

Section 8. Construction, Ownership and Maintenance of Water District Facilities.

The School District shall have no responsibility for the acquisition, construction and installation of the Water District Facilities or payment of the Fees. The Water District Facilities shall be and remain the sole and separate property of the Water District and shall be operated, maintained and utilized by the Water District. The School District shall not have any ownership interest in the Water District Facilities, and the School District shall have no responsibility for the operation, maintenance or utilization of the Water District Facilities.

Section 9. Tax Matters.

(a) In connection with the issuance of any Bonds, a portion of the proceeds of which are to be made available to finance the acquisition, construction and installation of the Water District Facilities, the Water District agrees to execute and deliver such certifications, agreements, or other requirements as may be reasonably required in order for bond counsel to conclude that interest on such Bonds will be excluded from gross income under Section 103 of the Internal Revenue Code of 1986 and any other provision of law.

Section 10. Indemnification.

(a) The Water District agrees to indemnify, defend and hold harmless the School District and the Community Facilities District, and their respective officers, employees and agents, and each and every one of them, from and against any and all claims, losses, expenses, suits, actions, decrees, judgments, awards, attorneys' fees and court costs which the School District or the Community Facilities District, or their respective officers, employees and agents, or any combination thereof, may suffer or which may be sought against or recovered or obtained from the School District or the Community Facilities District, or their respective officers, employees or agents, or any combination thereof, as a result of or by reason of or arising out of or in consequence of the acquisition, construction, installation, operation, maintenance or utilization of the Water District Facilities, including the use of Bond proceeds. If the Water District fails to do so, the School District and the Community Facilities District shall have the right, but not the obligation, to defend the same and charge all of the direct and incidental costs of such defense, including any reasonable attorneys' fees or court costs, to and recover the same from the Water District.

No indemnification is required to be paid by the Water District for any claim, loss or expense arising from the willful misconduct or negligence of the School District or the Community Facilities District, or their respective officers, employees or agents.

(b) The School District agrees to indemnify, defend and hold harmless the Water District, and its officers, employees and agents, and each and every one of them, from and against any and all claims, losses, expenses, suits, actions, decrees, judgments, awards, attorneys' fees and court costs which the Water District, or its officers, employees and agents, or any combination thereof, may suffer or which may be sought against or recovered or obtained from the Water

District, or its respective officers, employees or agents, or any combination thereof, as a result of or by reason of or arising out of or in consequence of the acquisition, construction, installation, operation, maintenance or utilization of the School Facilities or the issuance of the Bonds. If the School District fails to do so, the Water District shall have the right, but not the obligation, to defend the same and charge all of the direct and incidental costs of such defense, including any reasonable attorneys' fees or court costs, to and recover the same from the School District.

No indemnification is required to be paid by the School District for any claim, loss or expense arising from the willful misconduct or negligence of the Water District, or its officers, employees or agents.

(c) Developer agrees to indemnify, defend and hold harmless the School District, the Community Facilities District and the Water District, and their respective officers, employees and agents, and each and every one of them, from and against any and all claims, losses, expenses, suits, actions, decrees, judgments, awards, attorneys' fees and court costs which the School District, the Community Facilities District or the Water District, or their respective officers, employees and agents, or any combination thereof, may suffer or which may be sought against or recovered or obtained from the School District, the Community Facilities District or the Water District, or their respective officers, employees or agents, or any combination thereof, as a result of or by reason of or arising out of or in consequence of any act or omission of Developer with respect to this Facilities Agreement, the formation of the Community Facilities District, the use of the Bond funds for the Water District Facilities. If Developer fails to do so, the School District, the Community Facilities District and the Water District shall have the right, but not the obligation, to defend the same and charge all of the direct and incidental costs of such defense, including any reasonable attorneys' fees or court costs, to and recover the same from Developer.

No indemnification is required to be paid by Developer for any claim, loss or expense arising from the willful misconduct or negligence of School District (if indemnification is sought by the School District), the Community Facilities District (if indemnification is sought by the Community Facilities District) or the Water District (if indemnification is sought by the Water District), or their respective officers, employees or agents (if indemnification is sought thereby).

Section 11. Nature of Agreement; Allocation of Special Taxes. This Facilities Agreement shall constitute a joint community facilities agreement entered into pursuant to Sections 53316.2, 53316.4 and 53316.6 of the Act. The School District Board, acting as the legislative body of the Community Facilities District, shall annually levy the Special Taxes as provided for in the formation proceedings of the Community Facilities District, including, without limitation, the Rate and Method of Apportionment of Special Taxes for the Community Facilities District. The entire amount of any Special Tax levied by the Community Facilities District not needed for payment of interest or principal on Bonds or the costs of administering the Community Facilities District shall inure to the benefit of the Community Facilities District to be used as determined by the School District consistent with applicable law and associated agreements. The entire amount of the proceeds of the Special Taxes shall be allocated and distributed to the School District. The School District agrees not to include references to EMWD in the information provided to the County of Riverside that is to be included in the property tax bills for taxpayers within CFD No. 2018-1.

Section 12. Prevailing Wage. The Water District is a public agency in the State of California and is subject to the provisions of law relating to public contracts. It is agreed that all provisions of law applicable to public contracts are a part of this Facilities Agreement to the same extent as though set forth herein and will be complied with by the Water District and Developer, to the extent it is constructing Water District Facilities, including but not limited to the payment of prevailing wage requirements, including but not limited to, California Labor Code Section 1775.

Section 13. Debt Management Policy Compliance. The School District and the Water District are both public agencies required to maintain a debt management policy in compliance with Senate Bill No. 1029 (2016). Both the School District and the Water District shall certify compliance with applicable law and all legal requirements required as may relate to this Facilities Agreement, the issuance of the Bonds, or the Bond proceeds.

Section 14. Limitation of Rights to Parties. Nothing in this Facilities Agreement expressed or implied is intended or shall be construed to give to any person other than the School District, the Water District, the Developer, and the Community Facilities District any legal or equitable right, remedy or claim under or in respect of this Facilities Agreement or any covenant, condition or provision herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the School District, the Water District, the Developer, and the Community Facilities District.

Section 15. Notices. All written notices to be given hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the School District:

Moreno Valley Unified School District
25634 Alessandro Boulevard
Moreno Valley, CA 92553
Fax No.: (951) 571-7659
Attn: Chief Business Officer

If to the Community Facilities District:

Community Facilities District No. 2018-1 of the
Moreno Valley Unified School District
c/o Moreno Valley Unified School District
25634 Alessandro Boulevard
Moreno Valley, CA 92553
Fax No.: (951) 571-7659
Attn: Chief Business Official

With a copy to:

Atkinson, Andelson, Loya, Ruud & Romo
20 Pacifica, Suite 1100
Irvine, CA 92618
Fax No.: (949) 453-4262
Attn: Wendy Wiles, Esq.

If to the Water District:

Eastern Municipal Water District
P.O. Box 8300
2270 Trumble Road
Perris, California 92572-8300
Attn: Special Funding Division

If to Developer:

Beazer Homes
310 Commerce, Suite 150
Irvine, CA 92602
Fax No.:
Attn: Kimberly N. Molina

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if given by courier or delivery service or if personally served or delivered, upon delivery, (b) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail, or (c) if given by any other means, upon delivery at the address specified in this Section.

Section 16. California Law. This Facilities Agreement shall be governed and construed in accordance with the laws of the State of California.

Section 17. Severability. If any part of this Facilities Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Facilities Agreement shall be given effect to the fullest extent reasonably possible.

Section 18. Successors. This Facilities Agreement shall be binding upon and inure to the benefit of the successors of the Parties hereto

Section 19. Amendment and Assignment. This Facilities Agreement may be amended at any time but only in writing signed by each Party hereto. This Facilities Agreement may be assigned, in whole or in part, by the Developer to the purchaser of any parcel of land within the Property provided, however, such assignment shall not be effective unless and until the School District and the Water District have been notified, in writing, of such assignment.

Section 20. Entire Agreement. This Facilities Agreement contains the entire agreement between the Parties with respect to the matters provided for in the Facilities Agreement and supersedes all prior agreements and negotiations between the Parties with respect to the subject matter of this Facilities Agreement.

Section 21. Counterparts. This Facilities Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Facilities Agreement as of the date first written above.

APPROVED AS TO FORM:

**ATKINSON, ANDELSON, LOYA,
RUUD & ROMO**

Attorneys for Moreno Valley
Unified School District

By: _____

**MORENO VALLEY UNIFIED
SCHOOL DISTRICT**

By: _____
President of the Governing Board of the
Moreno Valley Unified School District

ATTEST:

By: _____
Clerk of the Governing Board of the
Moreno Valley Unified School
District

**BEAZER HOMES HOLDINGS,
LLC, a Delaware limited liability
company**

By: _____
Kimberly N. Molina
Authorized Signatory - West
Region

EASTERN MUNICIPAL WATER DISTRICT

By: _____
Paul D. Jones, II, General Manager

ATTEST:

By: _____
Sheila Zelaya, Board Secretary

EXHIBIT A

DESCRIPTION OF THE PROPERTY

The land referred to herein is situated in the City of Moreno Valley, County of Riverside, State of California and is described as follows:

Lots 1 through 275 of Tract No. 36933, as shown by Map on file in Book 460, Pages 6 through 24 of Maps in the Office of the County Recorder of said County.

EXHIBIT B
DESCRIPTION OF THE SCHOOL DISTRICT FACILITIES
AND WATER DISTRICT FACILITIES

The types of facilities proposed to be planned for, designed, acquired, constructed, leased, expanded, improved, rehabilitated and financed by proposed Community Facilities District No. 2018-1 of the Moreno Valley Unified School District (“CFD No. 2018-1”) under the Mello Roos Community Facilities Act of 1982 (“Act”) are, as follows:

1. “School District Facilities” includes, but not by way of limitation, District Facilities consisting of the planning, engineering, design, acquisition, construction, lease, improvement, and/or financing of interim and permanent facilities, including classrooms, multi-purpose facilities, administration and auxiliary space at school facilities as reasonably determined from time to time by the District to be necessary to accommodate the student population to be generated as a result of development, including the property within CFD No. 2018-1, during the term of the Special Taxes as follows:

(a) K-12 school sites and facilities, including lease rental payments therefore related to the acquisition of land, or interests in land required for the construction of such on-site or off-site facilities, including, but not limited to, buildings, appurtenances, athletic fields, playgrounds and recreational facilities and improvements thereto, landscaping, access roadways, drainage, sidewalks and gutters and utility lines, as well as portable or relocatable buildings or interim additions to existing buildings at such school facilities.

(b) Modernization, rehabilitation, relocation and expansion of existing school facilities and related infrastructure.

(c) Central support, administrative facilities, special education facilities and transportation facilities, including, but not by way of limitation, buses and vehicles.

(d) Furniture, equipment and technology, including technology upgrades and mobile devices and infrastructure therefore, with a useful life of at least five (5) years at such school facilities.

(e) The costs attributable to planning, engineering, designing, leasing, financing, acquiring, expanding, relocating, rehabilitating, or constructing (or any combination thereof) of school facilities (including, without limitation, construction management, inspection, materials testing, and construction staking); any “debt,” as defined in Government Code Section 53317(d), the costs to issue and sell any such debt (including, without limitation, underwriters discount, appraisals, market studies, reserve fund, capitalized interest, bond counsel, special tax consultant, bond trustee or fiscal agent, bond and official statement printing, and administrative expenses of the District and/or CFD No. 2018-1), and all other incidental expenses.

The school facilities shall be constructed, whether or not acquired in their completed states, pursuant to plans and/or specifications approved by the District. The school facilities described in this Exhibit are representative of the types of improvements to be funded or financed by CFD No. 2018-1. Addition, deletion or modification of school facilities may be made consistent with the requirements of the District, CFD No. 2018-1, and the Mello-Roos Act.

2. “Water District Facilities” includes those water and sewer facilities listed below, which are necessary for the provision of water and sewer services to the Property and paid for with Bond proceeds in lieu of the payment of Water District fees.

The type of Water District Facilities eligible to be financed by CFD No. 2018-1 under the Act are as follows:

“Water District Facilities and fees,” which is defined to include any of the following: funding of sewer and water capacity and connection fees payable to Water District to be used by Water District to construct facilities; and the construction, acquisition, modification, expansion or rehabilitation of sewer system facilities and water system facilities to be owned, operated and maintained by Water District, including capacity in existing facilities to the extent permitted by law.

EXHIBIT C

PAYMENT REQUEST FORM – WATER DISTRICT FACILITIES ACCOUNT

[All such payments shall be made by check or wire transfer in accordance with payment instructions submitted with this form and the Fiscal Agent shall have no duty or obligation to authenticate such payment instructions or the authorization thereof.]

()
()

PROGRESS PAYMENT
FULL/FINAL PAYMENT

The Fiscal Agent is hereby requested to pay from the Water District Facilities Account of the Construction Fund, as established by Resolution No. _____ of the Legislative Body of the District, adopted on _____, 2019, and the Fiscal Agent Agreement dated as of _____ 1, 2019, executed in accordance therewith, to the person, corporation, or other entity designated below as Payee, the sum set forth below such designation, in payment of the Project Costs for Water District Facilities Costs described below. The amount shown below is (i) due and payable to the EMWD for the [check as applicable]: [] Water Service Fees/ [] Water District Facilities Costs) described below or (ii) payable to reimburse the Developer for (check as applicable: [] Water Service Fees/ [] Water District Facilities Costs) advanced to EMWD as described below and, in any case, has not formed the basis of any prior request for payment. **Certification of Authorized Representatives of EMWD and Developer are required to process this request- see Attachment #1.**

Payee: _____
Address: _____

Amount: \$ _____

Description of Project Costs for Water District Facilities Account or portion thereof accepted by Community Facilities District No. 2018-1 and authorized to be paid to the Payee: **Attach documentation of amounts paid and identification of parcels.** By requisitioning Bond proceeds as described herein, EMWD is not passing upon, determining or assuming the tax-exempt status of the Bonds for federal or California income tax purposes.

Project Costs: _____

Executed by Authorized Representative for Community Facilities District No. 2018-1**:

-EXHIBIT-

Signature _____
Name: _____
Title: _____

Dated: _____
Payment Request No.: _____

**This signature will constitute the School District’s written consent under the EMWD Joint Community Facilities Agreement for the allocation of Bond proceeds for Project Costs as provided in this and other duly-authorized Payment Request Forms for payment from the applicable account(s) of the Construction Fund.

ATTACHMENT NO. 1 TO EXHIBIT C

**CERTIFICATION OF AUTHORIZED REPRESENTATIVES OF
DEVELOPER AND EMWD**

The undersigned authorized representative of _____, certifies the following: (a) The fee amounts listed in the attached documentation are (*check [✓] one*): [] (i) due and payable to EMWD for the EMWD Fees described below; or [] (ii) payable to reimburse the Developer for EMWD Fees advanced to EMWD; and, in any case, has not formed the basis of any prior request for payment; and (b) the connection fees fund capital public facilities of EMWD under the fee ordinances of EMWD setting the fees.

Authorized Representative of Developer:

-EXHIBIT-

Signature: _____

Name: _____

Title: _____

Date: _____

The undersigned authorized representative of the Eastern Municipal Water District, certifies the following: (a) The fees amounts listed in the attached documentation are (*check [✓] one*): [] (i) due and payable to EMWD for the EMWD Fees described below; or [] (ii) payable to reimburse the Developer for EMWD Fees advanced to EMWD; and, in any case, has not formed the basis of any prior request for payment; and (b) the connection fees fund capital public facilities of EMWD under the fee ordinances/resolutions of EMWD setting the fees.

Authorized Representative of EMWD:

-EXHIBIT-

Signature: _____

Name: _____

Title: _____

Date: _____