

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the 2019 Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS" herein.

\$16,630,000
CITY OF ROSEVILLE
FIDDYMENT RANCH COMMUNITY FACILITIES DISTRICT NO. 5 (PUBLIC FACILITIES)
SPECIAL TAX BONDS
SERIES 2019

Dated: Date of Delivery

Due: September 1, as shown below

The bonds captioned above (the "2019 Bonds"), are being issued by the City of Roseville (the "City") by and through its Fiddymment Ranch Community Facilities District No. 5 (Public Facilities) (the "District"). The 2019 Bonds are special tax obligations of the City, authorized pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being California Government Code Section 53311, et seq. (the "Act"), and are issued pursuant to the Resolution of Issuance (as defined herein), and a Fiscal Agent Agreement dated as of June 1, 2017, as supplemented and amended by a Supplemental Agreement No. 1 to Fiscal Agent Agreement dated as of October 1, 2019 (together, the "Fiscal Agent Agreement"), by and between the City and The Bank of New York Mellon Trust Company, N.A., as fiscal agent (the "Fiscal Agent"). See "THE 2019 BONDS – Authority for Issuance." Interest on the 2019 Bonds is payable on March 1 and September 1 of each year, commencing March 1, 2020.

The 2019 Bonds are being issued to (i) construct and acquire certain public facilities authorized for the District, (ii) contribute an additional amount to the debt service reserve fund, (iii) fund capitalized interest on the 2019 Bonds through and including September 1, 2020, and (iv) pay the costs of issuing the 2019 Bonds. The 2019 Bonds are the second series of special tax bonds issued for the District, and are payable on a parity basis with the City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities) Special Tax Bonds Series 2017 (the "2017 Bonds"). See "FINANCING PLAN."

The 2019 Bonds are being issued as fully registered bonds, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), and will be available to ultimate purchasers in the denomination of \$5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. See "APPENDIX G – DTC and the Book-Entry Only System."

The 2019 Bonds are secured by and payable from a pledge of Special Tax Revenues (as defined herein) derived from Special Taxes (as defined herein) to be levied by the City on real property within the boundaries of the District, from the proceeds of any foreclosure actions brought following a delinquency in the payment of the Special Taxes, and from amounts held in certain funds under the Fiscal Agent Agreement, all as more fully described herein. **Unpaid Special Taxes do not constitute a personal indebtedness of the owners of the parcels within the District. In the event of delinquency, proceedings may be conducted only against the parcel of real property securing the delinquent Special Tax. There is no assurance the owners will be able to pay the Special Tax or that they will pay a Special Tax even though financially able to do so.** To provide funds for payment of the 2019 Bonds and the interest thereon as a result of any delinquent Special Taxes, the City will establish a debt service reserve account for the 2019 Bonds from proceeds of the 2019 Bonds, as described herein. See "SECURITY FOR THE 2019 BONDS."

Property currently in the District and subject to the Special Tax consists of a portion of phase 2 and substantially all of phase 3 of the "Fiddymment Ranch" master planned community located in the West Roseville Specific Plan area, in the northwestern portion of the City. The majority of the land is currently owned by ATC Realty One, LLC, which was the sole owner at the time of formation of the District, as well as several merchant home builders. Homebuilding activity is underway, with sales to individual homeowners in several neighborhoods ongoing. See "THE DISTRICT" and "OWNERSHIP OF PROPERTY WITHIN THE DISTRICT."

The 2019 Bonds are subject to optional redemption, mandatory sinking fund redemption and special mandatory redemption from prepaid special taxes. See "THE 2019 BONDS – Redemption."

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE COUNTY OF PLACER, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE 2019 BONDS. THE 2019 BONDS DO NOT CONSTITUTE A DEBT OF THE CITY WITHIN THE MEANING OF ANY STATUTORY OR CONSTITUTIONAL DEBT LIMITATION. THE INFORMATION SET FORTH IN THIS OFFICIAL STATEMENT, INCLUDING INFORMATION UNDER THE HEADING "SPECIAL RISK FACTORS," SHOULD BE READ IN ITS ENTIRETY.

This cover page contains certain information for general reference only. It is not a summary of all of the provisions of the 2019 Bonds. Prospective investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. See "SPECIAL RISK FACTORS" herein for a discussion of the special risk factors that should be considered, in addition to the other matters and risk factors set forth herein, in evaluating the investment quality of the 2019 Bonds.

The 2019 Bonds are offered when, as and if issued, subject to approval as to their legality by Jones Hall, a Professional Law Corporation, San Francisco, California, Bond Counsel. Certain legal matters will also be passed on by Jones Hall, as Disclosure Counsel and Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as counsel to the Underwriter. Certain legal matters will be passed upon for the City by the City Attorney. It is anticipated that the 2019 Bonds will be available for delivery to DTC on or about October 3, 2019.

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\$16,630,000
CITY OF ROSEVILLE
FIDDYMENT RANCH COMMUNITY FACILITIES DISTRICT NO. 5 (PUBLIC FACILITIES)
SPECIAL TAX BONDS
SERIES 2019

MATURITY SCHEDULE

SERIAL BONDS: \$7,005,000

Maturity (Sept. 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP [†] (777870)
2021	\$220,000	4.000%	1.530%	104.633%	D86
2022	250,000	4.000	1.690	106.533	D94
2023	280,000	4.000	1.860	108.035	E28
2024	315,000	4.000	1.970	109.456	E36
2025	350,000	4.000	2.120	110.391	E44
2026	375,000	5.000	2.210	117.788	E51
2027	420,000	5.000	2.280	119.585	E69
2028	470,000	5.000	2.340	119.435c	E77
2029	510,000	5.000	2.390	119.079c	E85
2030	560,000	5.000	2.440	118.725c	E93
2031	560,000	5.000	2.480	118.442c	F27
2032	555,000	5.000	2.520	118.160c	F35
2033	545,000	5.000	2.560	117.879c	F43
2034	545,000	4.000	2.800	109.966c	F50
2035	535,000	4.000	2.840	109.699c	F68
2036	515,000	3.000	3.070	99.080	F76

\$1,455,000 5.000% Term Bond due September 1, 2039, Yield: 2.770%, Price: 116.417%c,
CUSIP† No. 777870F84

\$895,000 3.250% Term Bond due September 1, 2041, Yield: 3.250%, Price: 100%,
CUSIP† No. 777870F92

\$1,535,000 5.000% Term Bond due September 1, 2045, Yield: 2.920%, Price: 115.385%c,
CUSIP† No. 777870G26

\$5,740,000 5.000% Term Bond due September 1, 2049, Yield: 2.960%, Price: 115.111%c,
CUSIP† No. 777870G34

C: Priced to call on September 1, 2026 at 103%.

† CUSIP Copyright 2019, CUSIP Global Services, and a registered trademark of American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of American Bankers Association by S&P Global Services, managed by Standard & Poor's Capital IQ. Neither the City nor the Underwriter takes any responsibility for the accuracy of the CUSIP data.

CITY OF ROSEVILLE, CALIFORNIA

City Council

John Allard, *Mayor*
Krista Bernasconi, *Vice Mayor*
Scott Alvord, *Councilmember*
Bruce Houdesheldt, *Councilmember*
Pauline Roccucci, *Councilmember*

City Staff

Dominick Casey, *City Manager*
Dennis Kauffman, *Chief Financial Officer*
Robert R. Schmitt, *City Attorney*
Sonia Orozco, *City Clerk*

SPECIAL SERVICES

Bond Counsel and Disclosure Counsel

Jones Hall, A Professional Law Corporation
San Francisco, California

Municipal Advisor

Hilltop Securities Inc.
Encino, California

Appraiser

Integra Realty Resources
Sacramento, California

Special Tax Consultant and Administrator

Willdan Financial Services
Temecula, California

Fiscal Agent

The Bank of New York Mellon Trust Company, N.A.
San Francisco, California

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

Use of Official Statement. This Official Statement is submitted in connection with the sale of the 2019 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not to be construed as a contract with the purchasers of the 2019 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts.

Estimates and Forecasts. When used in this Official Statement and in any continuing disclosure by the District or the City, in any press release and in any oral statement made with the approval of an authorized officer of the District or the City, the words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” “forecast,” “expect,” “intend” and similar expressions may identify “forward looking statements.” Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the District or the City since the date hereof.

Limit of Offering. No dealer, broker, salesperson or other person has been authorized by the City or the Underwriter to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the 2019 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Involvement of Underwriter. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or the District since the date hereof. All summaries of the Fiscal Agent Agreement or other documents referred to in this Official Statement, are made subject to the provisions of such documents, respectively, and do not purport to be complete statements of any or all of such provisions.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2019 BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE 2019 BONDS TO CERTAIN DEALERS, INSTITUTIONAL INVESTORS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICE STATED ON THE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

THE 2019 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXCEPTION FROM THE REGISTRATION REQUIREMENTS CONTAINED IN SUCH ACT. THE 2019 BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

The City maintains an Internet website, but the information on that website is not incorporated in this Official Statement.

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OFFICIAL STATEMENT

\$16,630,000
CITY OF ROSEVILLE
FIDDYMENT RANCH COMMUNITY FACILITIES DISTRICT NO. 5 (PUBLIC FACILITIES)
SPECIAL TAX BONDS
SERIES 2019

This Official Statement, including the cover page and attached appendices, is provided to furnish information regarding the bonds captioned above (the “**2019 Bonds**”) to be issued by the City of Roseville (the “**City**”) on behalf of the City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities) (the “**District**”).

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Definitions of certain terms used herein and not defined herein have the meaning set forth in the Fiscal Agent Agreement. See “APPENDIX F – Summary of Certain Provisions of the Fiscal Agent Agreement.”

Investment in the 2019 Bonds involves risks that may not be appropriate for some investors. See “SPECIAL RISK FACTORS” for a discussion of certain risk factors which should be considered, in addition to the other matters set forth in this Official Statement, in considering the investment quality of the 2019 Bonds.

INTRODUCTION

This introduction is not a summary of the entire Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained throughout the Official Statement, including the cover page, inside cover and attached appendices, and documents summarized or described in this Official Statement. A full review should be made of the entire Official Statement. The offering of the 2019 Bonds to potential investors is made only by means of the entire Official Statement.

Authority for Issuance. The 2019 Bonds are issued pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended (Sections 53311, *et seq.*, of the Government Code of the State of California) (the “**Act**”), a Fiscal Agent Agreement dated as of June 1, 2017, as supplemented and amended by a Supplemental Agreement No. 1 to Fiscal Agent Agreement dated as of October 1, 2019 (together, the “**Fiscal Agent Agreement**”) between the City and The Bank of New York Mellon Trust Company, N.A., as fiscal agent (the “**Fiscal Agent**”), and a resolution adopted on September 4, 2019 (the “**Resolution of Issuance**”) by the City Council of the City (the “**City Council**”), as the legislative body of the District. See “THE BONDS – Authority for Issuance.”

The City and the County. The City is located in central Placer County (the “**County**”), which is located in the Sacramento Valley near the foothills of the Sierra Nevada mountain range, about 16 miles northeast of Sacramento and 110 miles east of San Francisco. It lies on the Highway 80 corridor between the City of Sacramento and the City of Auburn. The estimated

population of the City as of January 1, 2019 was approximately 139,643. For economic and demographic information regarding the area in and around the City, see “APPENDIX C – The City of Roseville and Placer County.”

Description of the 2019 Bonds. The 2019 Bonds will be issued in denominations of \$5,000 or any integral multiple of \$5,000. Interest is payable semiannually on each March 1 and September 1, commencing March 1, 2020. The 2019 Bonds will be initially issued only in book-entry form and registered to Cede & Co. as nominee of The Depository Trust Company (“**DTC**”), which will act as securities depository of the 2019 Bonds. Principal and interest (and premium, if any) on the 2019 Bonds is payable by the Fiscal Agent to DTC, which remits such payments to its Participants for subsequent distribution to the registered owners as shown on the Trustee’s books. See “THE 2019 BONDS.”

Purpose of the 2019 Bonds. Proceeds of the 2019 Bonds will be used to finance costs of acquiring and constructing certain public infrastructure improvements (the “**Improvements**,” as described herein), such as roadway, water, drainage, wastewater, and other infrastructure improvements necessary for development of property within the District, contribute an additional amount to the debt service reserve fund previously established for the Bonds (the “**Reserve Fund**”), fund capitalized interest on the 2019 Bonds through and including September 1, 2020, and pay costs of issuance for the 2019 Bonds. See “FINANCING PLAN” and “THE DISTRICT.”

Security and Sources of Payment for the 2019 Bonds. The City Council will annually levy special taxes on the property in the District (the “**Special Taxes**”) in accordance with the Rate and Method of Apportionment for City of Roseville Fiddymont Ranch Community Facilities District No. 5 (Public Facilities) (the “**Special Tax Formula**”), which is attached as APPENDIX A to this Official Statement. The 2019 Bonds are secured by and payable from, on a parity basis with the 2017 Bonds (defined below), a first pledge of the net proceeds of the Special Taxes, including interest and penalties levied and received thereon net of County administration charges which are currently 1% of the annual tax levy (as more particularly defined in the Fiscal Agent Agreement, the “**Special Tax Revenues**”), subject to the conditions contained in the Fiscal Agent Agreement. The 2019 Bonds will also be secured by, on a parity basis with the 2017 Bonds, certain funds and accounts established and held under the Fiscal Agent Agreement, including the Reserve Fund. The Reserve Fund was established in connection with the 2017 Bonds, and is serving as a parity debt service reserve fund available to all series of Bonds issued under the Fiscal Agent Agreement. In connection with the issuance of the 2019 Bonds, an additional amount will be added to the Reserve Fund so that the amount in the Reserve Fund, calculated with respect to the 2017 Bonds and 2019 Bonds on a combined basis, is equal to the Reserve Requirement (as defined herein). See “SECURITY FOR THE BONDS.” The 2019 Bonds, 2017 Bonds, and any Additional Bonds that may be issued in the future are collectively referred to herein as the “**Bonds**.”

Pursuant to the Act, the Resolution of Issuance, and the Fiscal Agent Agreement, so long as any Bonds are outstanding, the City will annually levy the Special Tax against all land within the District taxable under the Act in accordance with the Special Tax Formula and to make provision for the collection of the Special Tax in amounts which will be sufficient to pay interest on, principal of and redemption premium (if any) on the Bonds as such becomes due and payable and to replenish the Reserve Fund as necessary. See “SECURITY FOR THE 2019 BONDS – Special Tax Methodology” and “APPENDIX A – Rate and Method of Apportionment of Special Tax.”

Unpaid Special Taxes do not constitute a personal indebtedness of the owners of any of the parcels within the District. In the event of delinquency, proceedings may be conducted only against the real property on which the Special Tax is delinquent. The unpaid Special Taxes are not required to be paid upon sale of property within the District.

Covenant to Foreclose. The City has covenanted in the Fiscal Agent Agreement to cause foreclosure proceedings to be commenced and prosecuted against certain parcels with delinquent installments of the Special Taxes. For a more detailed description of the foreclosure covenant see “SECURITY FOR THE BONDS – Delinquent Payments; Covenant for Superior Court Foreclosure.”

Additional Bonds. The maximum authorized indebtedness for the District is \$75,000,000 (the “**Authorization**”). The 2019 Bonds are the second series of special tax bonds issued for the District pursuant to the Authorization, and are payable on a parity basis with the City of Roseville Fiddymont Ranch Community Facilities District No. 5 (Public Facilities) Special Tax Bonds Series 2017 (the “**2017 Bonds**”), issued in the original principal amount of \$23,845,000. Following the issuance of the 2019 Bonds in the amount of \$16,630,000, the remaining authorization will total \$34,525,000. So long as the 2019 Bonds are outstanding, any future bonds issued for the District and secured on parity with the 2019 Bonds and 2017 Bonds (herein, “**Additional Bonds**”) are required to meet certain conditions of issuance as set forth in the Fiscal Agent Agreement, and no bonds having a senior lien are allowed. See “SECURITY FOR THE BONDS – Additional Bonds.”

The District. The District was formed in 2016, over a portion of land that was within the Roseville Fiddymont Ranch Community Facilities District No. 1 (Public Facilities) (“**CFD No. 1**”). Proceeds of the 2017 Bonds were used, in part, to prepay and extinguish the special tax lien of CFD No. 1 on land within the District. In general, the land in CFD No. 1 constitutes phase 1 of the “Fiddymont Ranch” master planned community located in the West Roseville Specific Plan area, while the land in the District consists of a portion of phase 2 and substantially all of phase 3 of the development.

At the time of formation of the District, all of the land in the District was owned by ATC Realty One, LLC, a Delaware limited liability company (“**ATC Realty One**”). The majority of the land in the District is currently owned by ATC Realty One, as well as four merchant home builders – Lennar Homes, JMC Homes, Signature Homes, and Taylor Morrison Homes. Homebuilding activity is underway, with sales to individual homeowners in several neighborhoods ongoing. See “THE DISTRICT” and “OWNERSHIP OF PROPERTY WITHIN THE DISTRICT.”

Value Estimate of Property in the District. Taxable real property within the District is security for the Special Tax securing the Bonds. The City authorized the preparation of an appraisal report for certain land in the District, which sets forth a total appraised value for such property, as of June 4, 2019, of \$224,092,000. In addition to the property appraised, there were also four existing homes in the District with an assessed value on the County property tax roll, amounting to an additional \$1,489,700 of value. Accordingly, the estimated total value of taxable property in the District as of the date of value (the “**Composite Value**”) is \$225,581,700. The appraised values as of June 4, 2019 were confirmed to be not less than such amount as of September 4, 2019, as indicated in the update appraisal report. See “VALUE OF PROPERTY WITHIN THE DISTRICT AND SPECIAL TAX BURDEN – The Appraisal.” A complete copy of the appraisal, consisting of the original appraisal report and the updated appraisal report, is attached to this Official Statement as APPENDIX B. In considering the estimates of value evidenced by the appraisal, it should be noted that the appraisal is based upon a number of standard and

special assumptions and conditions which affect the estimates as to value and should be carefully reviewed by prospective investors in their entirety.

The Composite Value of \$225,581,700 is 5.57 times the \$40,475,000 aggregate estimated principal amount of the 2019 Bonds and 2017 Bonds. Taking into account overlapping debt (consisting of general obligation bonded indebtedness) as described herein, the appraised value-to-lien ratio for property in the District is approximately 5.42 to 1. Value-to-lien ratios on individual parcels may vary considerably from this average. For example, given the affordable housing restrictions on Parcel F-6B, which is owned by ATC Realty One, the Appraiser provided an estimate of market value of \$0 for this parcel. Despite this estimate of value, this parcel is subject to the Special Tax securing the Bonds and is included within the average value-to-lien ratios described in this Official Statement. See "APPENDIX B – The Appraisal and Update to the Appraisal" and "VALUE OF PROPERTY WITHIN THE DISTRICT AND SPECIAL TAX BURDEN – Value to Special Tax Burden Ratios" herein.

Redemption of Bonds Before Maturity. The 2019 Bonds are subject to optional redemption, mandatory sinking fund redemption and special mandatory redemption from prepaid Special Taxes. See "THE BONDS – Redemption."

Limited Obligation of the City. The 2019 Bonds, the interest thereon, and any premiums payable on the redemption of any 2019 Bonds, are not an indebtedness of the City (except to the limited extent described in this Official Statement), the State of California (the "State") or any of their respective political subdivisions. None of the City (except to the limited extent described in this Official Statement), the State or any of its political subdivisions is liable for the 2019 Bonds. Neither the faith and credit nor the taxing power of the City (except to the limited extent described in this Official Statement) or the State or any of their respective political subdivisions is pledged to the payment of the 2019 Bonds. Other than the Special Tax Revenues, no taxes are pledged to the payment of the 2019 Bonds. The 2019 Bonds do not constitute a general obligation of the City, but are limited obligations of the City payable solely from the Special Tax Revenues as more fully described in this Official Statement.

Summary of Information. Brief descriptions of certain provisions of the Fiscal Agent Agreement and certain other documents are included herein. The descriptions and summaries of documents herein do not purport to be comprehensive or definitive, and reference is made to each such document for the complete details of all its respective terms and conditions, copies of which are available for inspection at the office of the City. All statements herein with respect to certain rights and remedies are qualified by reference to laws and principles of equity relating to or affecting creditors' rights generally. Capitalized terms used in this Official Statement and not otherwise defined herein have the meanings ascribed to such terms in the Fiscal Agent Agreement. See "APPENDIX F – Summary of Certain Provisions of the Fiscal Agent Agreement." The information and expressions of opinion herein speak only as of the date of this Official Statement and are subject to change without notice. Neither delivery of this Official Statement, any sale made hereunder, nor any future use of this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the City or the District since the date hereof.

ESTIMATED SOURCES AND USES OF FUNDS

A summary of the estimated sources and uses of funds associated with the sale of the 2019 Bonds follows.

Sources

Principal Amount of 2019 Bonds	\$16,630,000.00
Plus:[Net] Original Issue Premium	2,303,016.00
Total Sources	\$18,933,016.00

Uses

Deposit to Improvement Fund	\$17,000,000.00
Deposit to Reserve Fund ⁽²⁾	602,355.90
Capitalized Interest on 2019 Bonds ⁽¹⁾	711,201.94
Costs of Issuance ⁽³⁾	619,458.16
Total Uses	\$18,933,016.00

(1) Used to pay interest on the 2019 Bonds through and including September 1, 2020.

(2) Equal to the additional amount needed to fund the Reserve Fund to the Reserve Requirement with respect to the 2019 Bonds and 2017 Bonds, as of the date of delivery of the 2019 Bonds.

(3) Includes, among other things, the fees and expenses of Bond Counsel and Disclosure Counsel, the Fiscal Agent, the Municipal Advisor, the Appraiser, and the Special Tax Consultant, Underwriter's discount, as well as the cost of printing the preliminary and final Official Statements.

THE BONDS

This section generally describes certain of the terms of the 2019 Bonds contained in the Fiscal Agent Agreement. See "APPENDIX F – Summary of Certain Provisions of the Fiscal Agent Agreement."

Authority for Issuance

The 2019 Bonds are issued pursuant to the Fiscal Agent Agreement, the Resolution of Issuance and the Act. On March 16, 2016, the City Council adopted Resolution No. 16-84 (the "**Resolution of Formation**"), which formed the District and followed a Resolution of Intention adopted on January 20, 2016. The District was established and authorized to incur bonded indebtedness in an aggregate principal amount not to exceed \$75,000,000 at a special election in the District held on the same day. Under the provisions of the Act, since there were fewer than 12 registered voters residing within the District at a point during the 90-day period preceding the adoption of the Resolution of Formation, the qualified electors entitled to vote in the special election consisted solely of ATC Realty One, the only eligible landowner/voter in the District, who cast one vote for each gross acre or portion of an acre of land owned within the District. The landowner voted to incur the indebtedness and to approve the levy of Special Taxes to be collected within the District pursuant to the Special Tax Formula.

Description of the Bonds

The 2019 Bonds are being issued as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company (“**DTC**”), and will be available to ultimate purchasers in the denomination of \$5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. Ultimate purchasers of 2019 Bonds will not receive physical certificates representing their interest in the 2019 Bonds. So long as the 2019 Bonds are registered in the name of Cede & Co., as nominee of DTC, references herein to the Owners will mean Cede & Co., and will not mean the ultimate purchasers of the 2019 Bonds.

Payments of the principal, premium, if any, and interest on the 2019 Bonds will be made directly to DTC, or its nominee, Cede & Co., so long as DTC or Cede & Co. is the registered owner of the 2019 Bonds. Disbursements of such payments to DTC’s participants is the responsibility of DTC, and disbursements of such payments to the Beneficial Owners is the responsibility of DTC’s participants and indirect participants, as more fully described in “APPENDIX G – DTC and the Book-Entry Only System.”

The 2019 Bonds will be dated as of, and bear interest from, the date of their delivery at the rates contained, and mature in the amounts and years shown on the inside cover page of this Official Statement.

The principal of, and any redemption premium due with respect to, the 2019 Bonds will be payable in lawful money of the United States of America at the principal corporate trust office of the Fiscal Agent in Los Angeles, California, or such other place as designated by the Fiscal Agent, upon presentation and surrender of the 2019 Bonds. Interest on the 2019 Bonds, computed on the basis of a 360-day year consisting of twelve 30-day months, will be paid in lawful money of the United States of America semiannually on March 1 and September 1 of each year (each an “**Interest Payment Date**”), commencing March 1, 2020.

Interest on the 2019 Bonds (including the final interest payment upon maturity or earlier redemption) is payable by check of the Fiscal Agent mailed on each Interest Payment Date by first class mail to the registered Owner thereof at such registered Owner’s address as it appears on the registration books maintained by the Fiscal Agent at the close of business on the 15th day of the calendar month preceding the Interest Payment Date (the “**Record Date**”), or by wire transfer made on such Interest Payment Date upon written instructions received by the Fiscal Agent on or before the Record Date preceding the Interest Payment Date, of any Owner of \$1,000,000 or more in aggregate principal amount of 2019 Bonds; provided that so long as any 2019 Bonds are in book-entry form, payments with respect to such 2019 Bonds will be made by wire transfer, or such other method acceptable by the Fiscal Agent, to DTC. See “APPENDIX G – DTC and the Book-Entry Only System.”

Each 2019 Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof unless (i) it is authenticated on an Interest Payment Date, in which event it will bear interest from such date of authentication, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it will bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it will bear interest from the dated date; provided, however, that if at the time of authentication of a 2019 Bond, interest is in default thereon, such 2019 Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

So long as the 2019 Bonds are registered in the name of Cede & Co., as nominee of DTC, payments of the principal, premium, if any, and interest on the 2019 Bonds will be made directly to DTC, or its nominee, Cede & Co. Disbursements of such payments to DTC's participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of DTC's direct participants and indirect participants, as more fully described herein. See "APPENDIX G – DTC and the Book-Entry Only System."

Redemption

Optional Redemption. The 2019 Bonds may be redeemed prior to maturity at the option of the City from any source of available funds other than the prepayment of the Special Tax by property owners, as a whole or in part, on any date on and after September 1, 2026 at the following respective redemption prices (expressed as percentages of the principal amount of the 2019 Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
September 1, 2026 through August 31, 2027	103%
September 1, 2027 through August 31, 2028	102
September 1, 2028 through August 31, 2029	101
September 1, 2029 and any date thereafter	100

Special Mandatory Redemption from Prepayments. The 2019 Bonds shall be subject to mandatory redemption from prepayments of the Special Tax by property owners on any Interest Payment Date, in whole or in part among maturities, and by lot within a maturity, and among the 2017 Bonds, 2019 Bonds and any Additional Bonds, as shall be specified by the City, at the following respective redemption prices (expressed as percentages of the principal amount of the 2019 Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
March 1, 2020 through and including March 1, 2027	103%
September 1, 2027 and March 1, 2028	102
September 1, 2028 and March 1, 2029	101
September 1, 2029 and any Interest Payment Date thereafter	100

Mandatory Sinking Fund Redemption. The Term 2019 Bonds maturing September 1, 2039 are subject to mandatory sinking payment redemption in part on September 1, 2037 and on each September 1 thereafter to maturity, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts as set forth in the following table:

Mandatory Redemption Date (Sept. 1)	Sinking Fund Payment
2037	\$500,000
2038	485,000
2039 (maturity)	470,000

The Term 2019 Bonds maturing September 1, 2041 are subject to mandatory sinking payment redemption in part on September 1, 2040 and on each September 1 thereafter to

maturity, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts as set forth in the following table:

Mandatory Redemption Date (Sept. 1)	Sinking Fund Payment
2040	\$460,000
2041 (maturity)	435,000

The Term 2019 Bonds maturing September 1, 2045 are subject to mandatory sinking payment redemption in part on September 1, 2042 and on each September 1 thereafter to maturity, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts as set forth in the following table:

Mandatory Redemption Date (Sept. 1)	Sinking Fund Payment
2042	\$410,000
2043	395,000
2044	375,000
2045(maturity)	355,000

The Term 2019 Bonds maturing September 1, 2049 are subject to mandatory sinking payment redemption in part on September 1, 2046 and on each September 1 thereafter to maturity, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts as set forth in the following table:

Mandatory Redemption Date (Sept. 1)	Sinking Fund Payment
2046	\$325,000
2047	290,000
2048	2,500,000
2049 (maturity)	2,625,000

The amounts in the foregoing tables will be reduced pro rata, in order to maintain substantially uniform debt service, as a result of any prior partial optional redemption or mandatory redemption of the Term 2019 Bonds.

Purchase In Lieu of Redemption. In lieu of redemption, moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of outstanding 2019 Bonds, upon the filing with the Fiscal Agent of an Officer's Certificate requesting such purchase, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer's Certificate may provide, but in no event may 2019 Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase.

Redemption Procedure by Fiscal Agent. The Fiscal Agent will cause notice of any redemption to be mailed by first class mail, postage prepaid, at least 20 days but not more than 60 days prior to the date fixed for redemption, to the Securities Depositories and to one or more

Information Services, and to the respective registered Owners of any 2019 Bonds designated for redemption, at their addresses appearing on the Bond registration books in the principal office of the Fiscal Agent; but such mailing is not a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, will not affect the validity of the proceedings for the redemption of such 2019 Bonds.

Such notice will state the redemption date and the redemption price and, if less than all of the then outstanding 2019 Bonds are to be called for redemption, will designate the CUSIP numbers and 2019 Bond numbers of the 2019 Bonds to be redeemed by giving the individual CUSIP number and 2019 Bond number of each 2019 Bond to be redeemed or will state that all 2019 Bonds between two stated 2019 Bond numbers, both inclusive, are to be redeemed or that all of the 2019 Bonds of one or more maturities have been called for redemption, will state as to any 2019 Bond called in part the principal amount thereof to be redeemed, and will require that such 2019 Bonds be then surrendered at the principal office of the Fiscal Agent for redemption at the said redemption price, and will state that further interest on such 2019 Bonds will not accrue from and after the redemption date.

Whenever provision is made in the Fiscal Agent Agreement for the redemption of less than all of the 2019 Bonds of any maturity, the Fiscal Agent will select the 2019 Bonds to be redeemed, from all 2019 Bonds or such given portion thereof of such maturity by lot in any manner which the Fiscal Agent in its sole discretion deems appropriate. Upon surrender of 2019 Bonds redeemed in part only, the City will execute and the Fiscal Agent will authenticate and deliver to the registered Owner, at the expense of the City, a new 2019 Bond or 2019 Bonds, of the same series and maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the 2019 Bond or 2019 Bonds.

City's Right to Rescind. The City has the right to rescind any notice of the optional redemption of 2019 Bonds and such notice may be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the 2019 Bonds then called for redemption. Neither the City nor the Fiscal Agent will have any liability to the Owners of the 2019 Bonds or any other party related to any such rescission of redemption.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the 2019 Bonds so called for redemption are deposited in the Bond Fund, such 2019 Bonds so called will cease to be entitled to any benefit under the Fiscal Agent Agreement other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in such notice.

Transfer or Exchange of Bonds

So long as the 2019 Bonds are registered in the name of Cede & Co., as nominee of DTC, transfers and exchanges of 2019 Bonds will be made in accordance with DTC procedures. See APPENDIX G. Any 2019 Bond may, in accordance with its terms, be transferred or exchanged by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such 2019 Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form approved by the Fiscal Agent. Whenever any 2019 Bond(s) will be surrendered for transfer or exchange, the City will execute and the Fiscal Agent will authenticate and deliver a new 2019 Bond(s), for a like aggregate principal amount of 2019 Bond(s) of authorized denominations and of the same maturity. The City will pay the cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such

transfer or exchange. The Fiscal Agent will collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer or exchange.

No transfers or exchanges of 2019 Bonds will be required to be made (i) within 15 days prior to the date established by the Fiscal Agent for selection of 2019 Bonds for redemption or (ii) with respect to a 2019 Bond after that 2019 Bond has been selected for redemption.

SECURITY FOR THE BONDS

As used in this section, references to “Bonds” means the 2017 Bonds, the 2019 Bonds and any Additional Bonds issued under the Fiscal Agent Agreement.

Pledge of Special Taxes

The Bonds are secured by and payable from a first pledge of the Special Tax Revenues. The Special Tax Revenues and all moneys deposited into the Bond Fund, the Reserve Fund and, until disbursed as provided in the Fiscal Agent Agreement, the Special Tax Fund and the Improvement Fund, are pledged to the payment of the principal of, and interest and any premium on, the Bonds, as provided in the Fiscal Agent Agreement and in the Act, until all the Bonds have been paid and retired, or until moneys or Federal Securities have been set aside irrevocably for that purpose.

The Improvements are not in any way pledged to pay the debt service on the Bonds. Any proceeds of condemnation, destruction or other disposition of any Improvements are not pledged to pay the debt service on the Bonds and are free and clear of any lien or obligation imposed under the Fiscal Agent Agreement.

Special Taxes

A Special Tax applicable to each taxable parcel in the District will be levied and collected according to the tax liability determined by the City Council through the application of the Special Tax Formula, the complete copy of which is set forth in APPENDIX A hereto, for all taxable properties in the District, by Willdan Financial Services, Temecula, California, the special tax consultant for the District (the “**Special Tax Consultant**”). Interest and principal on the Bonds is payable from the annual Special Taxes to be levied and collected on taxable property within the District, from amounts held in the funds and accounts established under the Fiscal Agent Agreement (other than the Rebate Fund) and from the proceeds, if any, from the sale of such property for delinquency of such Special Taxes.

The Special Taxes are exempt from the property tax limitation of Article XIII A of the California Constitution, pursuant to Section 4 thereof as a “special tax” authorized by a two-thirds vote of the qualified electors. The levy of the Special Taxes was authorized by the City pursuant to the Act in an amount determined according to the Special Tax Formula approved by the City and the qualified electors. See “– Special Tax Methodology” below and “APPENDIX A – Rate and Method of Apportionment of Special Tax.”

The amount of Special Taxes that the District may levy in any year, and from which principal and interest on the Bonds is to be paid, is strictly limited by the maximum rates approved by the qualified electors within the District which are set forth as the “**Maximum Annual Special Tax**” in the Special Tax Formula. Under the Special Tax Formula, Special Taxes for the purpose

of making payments on the Bonds will be levied annually in an amount, not in excess of the annual Maximum Annual Special Tax. The Special Taxes and any interest earned on the Special Taxes constitute a trust fund for the principal of and interest on the Bonds pursuant to the Fiscal Agent Agreement and, so long as the principal of and interest on these obligations remains unpaid, the Special Taxes and investment earnings thereon will not be used for any other purpose, except as permitted by the Fiscal Agent Agreement, and will be held in trust for the benefit of the owners thereof and will be applied pursuant to the Fiscal Agent Agreement. The Special Tax Formula apportions the Special Tax Requirement (as defined in the Special Tax Formula and described below) among the taxable parcels of real property within the District according to the rate and methodology set forth in the Special Tax Formula. See “– Special Tax Methodology” below. See also “APPENDIX A – Rate and Method of Apportionment of Special Tax.”

The City may levy the Special Tax at the Maximum Annual Special Tax rate, which has been authorized by the qualified electors within the District, as set forth in the Special Tax Formula, if conditions so require. The City has covenanted to annually levy the Special Taxes in an amount at least sufficient to pay the Special Tax Requirement (as defined below). Because each year’s Special Tax levy is limited to the Maximum Annual Special Tax rates authorized as set forth in the Special Tax Formula, no assurance can be given that, in the event of Special Tax delinquencies, the amount of the Special Tax Requirement will in fact be collected in any given year. See “SPECIAL RISK FACTORS – Levy and Collection of the Special Tax” herein. The Special Taxes are collected for the City by the County in the same manner and at the same time as *ad valorem* property taxes.

Special Tax Methodology

The Special Tax authorized under the Act applicable to land within the District will be levied and collected according to the tax liability determined by the City through the application of the appropriate amount or rate as described in the Special Tax Formula set forth in “APPENDIX A – Rate and Method of Apportionment of Special Tax” and in accordance with the Act. See “SPECIAL RISK FACTORS – Levy and Collection of Special Taxes.” Capitalized terms set forth in this section and not otherwise defined have the meanings set forth in the Special Tax Formula.

Determination of Special Tax Requirement. Each year, the City will determine the Special Tax Requirement of the District for the upcoming Fiscal Year. The “**Special Tax Requirement**” includes the following items:

- (i) debt service on bonds issued for the District;
- (ii) Administrative Fees and Expenses (including charges levied by the County);
- (iii) any amounts needed to replenish bond reserve funds and to pay for delinquencies in Special Taxes for the previous Fiscal Year or anticipated for the current year; and
- (iv) pay-as-you-go construction expenditures for authorized improvements (so long as such expenditure does not cause an increase in the Special Tax to be levied on Undeveloped Property).

The Special Tax Requirement is the basis for the amount of Special Tax to be levied within the District. In no event may the City levy a Special Tax in any year above the Maximum Annual Special Tax identified for each parcel in the Special Tax Formula.

Parcels Subject to the Special Tax. Each Fiscal Year, the Administrator will prepare a list of the parcels subject to the Special Tax using the records of the City and the County Assessor. The City will tax all parcels within the District except property that is exempt from the Special Tax pursuant to the Special Tax Formula. Taxable Property that is acquired by a public agency after the District has been formed will remain subject to the Special Tax unless a “trade” resulting in no loss of Special Tax revenue can be made, as described in the Special Tax Formula.

Annual Special Tax Levy; Method of Apportionment. The Special Tax will be levied each year by calculating the Special Tax Requirement, which needs to be generated by the Taxable Property in the District; the Special Tax (up to maximum allowable amount) will be levied against each Taxable Property until the total scheduled Special Tax revenue equals the Special Tax Requirement, however the Special Tax Formula establishes a priority for which properties will be levied a Special Tax, with Developed Property receiving a Special Tax levy prior to Undeveloped Property. For Single Family Detached Property, Developed Property is property for which a Final Map was recorded prior to May 1st of the preceding Fiscal Year, and for other property (e.g., Single Family Attached Property, Multi-Family Property and Non-Residential Property), Developed Property is property for which a building permit or use permit was issued prior to May 1st of the preceding Fiscal Year. See the Special Tax Formula in Appendix A and “– Backup Special Taxes” below.

The following table shows the assigned Special Tax for each category of Developed Property for Fiscal Year 2019-20.

Table 1A
Special Tax for Developed Property by Land Use Class
Fiscal Year 2019-20

Land Use Class		2019-20 Assigned Special Tax⁽¹⁾
Low-Density Residential (LDR)	per unit	\$1,828
Medium-Density Residential (MDR)	per unit	1,406
High-Density Residential (HDR)	per unit	703
Affordable Units	per unit	352
Non-Residential	per acre	7,031

(1) The Assigned Special Tax Rate is expected to equal the annual Maximum Tax Rate so long as the number of planned units are not reduced in a given planning area or land uses are not changed. The Assigned Special Tax Rate escalates at 2% each fiscal year.

Source: *Special Tax Formula*

The following table shows the assigned, back-up and maximum Special Taxes for each phase and village in the District, as well as a hypothetical Fiscal Year 2019-20 Special Tax levy by phase and village. The information in the table, including expected land uses and number of residential units by planning area, are per the land use diagram dated December 2015 incorporated into the Special Tax Formula, except that the allocation of planned units shifted among villages F-13B1, F-13B2 and F-13B3.

Table 1B
Assigned, Backup and Maximum Special Tax Rates and
Hypothetical Fiscal Year 2019-20 Special Tax Levy by Phase and Village

Phase	Village	Expected Land Use	Expected Units	FY 2019-20 Developed Maximum Tax Rate ⁽¹⁾	Estimated FY 2019-20 Maximum Tax Revenues at Build Out ⁽²⁾	Taxable Acreage ⁽³⁾⁽⁴⁾	FY 2019-20 Backup Special Tax Rate Per Acre ⁽³⁾	Hypothetical FY 2019-20 Special Tax Levy ⁽⁵⁾
2F	F-13B1	LDR	75	\$1,828	\$137,101			\$137,101
2F	F-13B2	LDR	41	1,828	74,948			74,948
2G	F-8C	LDR	88	1,828	160,865			160,865
2G	F-8D	LDR	38	1,828	69,464			69,464
2G	F-9C	LDR	83	1,828	151,725			151,725
2G	F-9D	LDR	40	1,828	73,120			73,120
2H	F-7A	LDR	67	1,828	122,477			122,477
2H	F-7B	LDR	64	1,828	116,993			116,993
2H	F-9B	LDR	70	1,828	127,961			127,961
2I	F-11A1	LDR	47	1,828	85,917	9.82	\$10,276	33,897
2I	F-11A2	LDR	57	1,828	104,197	9.26	12,562	39,075
2I	F-11A3	LDR	71	1,828	129,789	13.95	11,559	54,169
2I	F-12	LDR	97	1,828	177,317	19.84	10,775	71,810
2J	F-13A1	LDR	45	1,828	82,261	9.23	8,751	27,135
2J	F-13A2	LDR	48	1,828	87,745	11.68	7,902	31,004
2J	F-13B3	LDR	45	1,828	82,261	8.49	8,784	25,052
3A	F-6A1	LDR	92	1,828	168,177	18.58	9,505	59,325
3A	F-6A2	LDR	87	1,828	159,037	13.55	12,325	56,099
3A	F-6B ⁽⁶⁾⁽⁷⁾	HDR(Affordable)	195	352	68,550	7.80	9,229	24,182
3A	F-6C1	MDR	135	1,406	189,833	12.38	16,101	66,961
3A	F-6C2	MDR	172	1,406	241,861	13.30	19,095	85,314
3A	F-6D	CC	n/a	7,031	34,029	4.84	7,383	12,004
3A	F-8A	HDR(MktRate)	223	703	156,787	8.90	16,688	49,893
3A	F-8A ⁽⁶⁾	HDR(Affordable)	54	352	18,983	2.16	16,688	12,109
3A	F-8B	MDR	127	1,406	178,584	10.92	17,172	62,991
3B	F-10A	LDR	122	1,828	223,017	29.30	7,993	78,669
3B	F-10B	LDR	115	1,828	210,221	20.54	10,747	74,157
3B	F-10C	LDR	80	1,828	146,241	19.90	7,717	51,585
3B	F-11B	MDR	152	1,406	213,738	15.07	14,892	75,390
Total			2,530		\$3,793,199	259.51		\$2,025,475

- (1) The District's Rate and Method of Apportionment generally defines a Developed Parcel as a Single Family detached lot created by a recorded subdivision map prior to May 1 of the preceding year, and for other uses, the issuance of a building or use permit by the same date. All Maximum Tax rates increase 2% annually.
- (2) Represents the estimated Maximum Special Tax if the entire District was fully developed as of the FY 2019-20 Special Tax Levy.
- (3) For each fiscal year, the Backup Special Tax of Undeveloped Property shall be calculated using each parcel's assessor's acreage and the Backup Special Tax Rate per acre as shown in the Rate and Method of Apportionment. These Backup Special Tax rates increase 2% annually.
- (4) This table does not include any acreage or tax amounts for the 10.44 acre school site known as Parcel F-71, which is exempt from the Special Tax.
- (5) The Hypothetical FY 2019-20 Special Tax Levy assumes that the 2020 debt service of 2019 Series Bonds would be funded by the FY 2019-20 Special Tax Levy, rather than capitalized interest from the proceeds of the Bonds as described in this Official Statement.
- (6) 195 units within F-6B and 54 of the units within F-8A are designated as affordable housing units, which are subject to a reduced maximum special tax rate. This reduced special tax rate is reflected in this table.

Source: Willdan Financial Services.

Termination of the Special Tax. The Special Tax will be levied and collected (up to maximum allowable amount) for as long as needed to pay the principal and interest on the Bonds and other costs incurred in order to construct and acquire the authorized District-funded facilities and to pay the Special Tax Requirement, subject to the following sentence. The Special Tax Formula provides that the Special Tax shall be levied so long as necessary to meet the Special Tax Requirement for a period not to exceed 50 fiscal years commencing with Fiscal Year 2016-17.

Prepayment of the Special Tax. The Special Tax Formula provides that landowners may permanently satisfy all or a portion of the Special Tax by a cash settlement with the City. The amount of the prepayment required is to be calculated according to a formula set forth in the Special Tax Formula, which is generally based on the Parcel's share of the outstanding Bonds, remaining facilities costs which have not been bonded, the Reserve Fund, fees, call premiums, negative arbitrage and any expenses incurred by the City in connection with the prepayment and expected future facilities costs.

Backup Special Taxes. The Special Tax Formula provides that each Fiscal Year, the CFD Administrator will assign a Backup Special Tax to all Assessor's Parcels within the District based on the Acreage of the Assessor's Parcel and the applicable Backup Special Tax Rate described in Table 2 to the Special Tax Formula. The Backup Special Tax rates increase by 2% each fiscal year.

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property in any Fiscal Year shall be the amount determined by the greater of (i) the application of the Assigned Special Tax or (ii) the application of the Backup Special Tax. Notwithstanding the foregoing, for any Fiscal Year in which all Taxable Property within a Planning Area is classified as Developed Property and the CFD Administrator has determined that the total Assigned Special Tax generated by the Developed Property is greater than or equal to the total Assigned Special Tax generated by the Anticipated Land Use for that Planning Area, the Maximum Special Tax for parcels within such Planning Area shall be equal to the Assigned Special Tax. The Maximum Special Tax for Provisional Property and Undeveloped Property in any Fiscal Year shall be equal to the Backup Special Tax.

Levy of Annual Special Tax; Maximum Special Tax

The annual Special Tax will be calculated by the City and levied each year to meet the Special Tax Requirement. However, in no event may the City levy a Special Tax in any year above the Maximum Annual Special Tax identified for each parcel in the Special Tax Formula. Maximum Annual Special Tax rates for Fiscal Year 2019-20 are shown in the preceding tables. A maximum of 249 residential units within the District are to be classified as Affordable Units. For Non-Residential parcels, the Special Tax is based upon the acreage of such parcels. The Annual Maximum Special Tax escalates by 2% each fiscal year. See "APPENDIX A – Rate and Method of Apportionment of Special Tax."

In addition to the Maximum Annual Special Tax rate limitation in the Special Tax Formula, Section 53321(d) of the Act provides that the special tax levied against any parcel for which an occupancy permit for private residential use has been issued may not be increased as a consequence of delinquency or default by the owner of any other parcel within a community facilities district by more than 10% above the amount that would have been levied in such Fiscal Year had there never been any such delinquencies or defaults. In cases of significant

delinquency, these factors may result in defaults in the payment of principal of and interest on the Bonds.

The Special Tax levy may include a pay-as-you-go component. The Special Tax Formula provides a mechanism whereby the City may utilize the pay-as-you-go component to pay for and/or reimburse developers of property in the District for a portion of the cost of Improvements not funded by proceeds of the bonds issued for the District. In the event it is utilized, proceeds of the annual Special Tax levy will first be used to pay the Special Tax Requirement other than pay-as-you-go expenditures and second, if the levy included a pay-as-you-go component, for authorized facilities costs not funded from Bond proceeds.

Special Tax Fund

Pursuant to the Fiscal Agent Agreement, all Special Tax Revenues, other than as a result of Prepayments, received by the City are required to be deposited into a Special Tax Fund to be held by the City in trust for the benefit of the City and the Owners of the Bonds (the “**Special Tax Fund**”). Within the Special Tax Fund, a “**Surplus Account**” is established for the purposes described below. Pending any disbursement, moneys in the Special Tax Fund will be subject to a lien in favor of the Owners of the Bonds.

As soon as practicable after the receipt by the City of any Special Tax Revenues, other than as a result of Prepayments, or the transfer of amounts to the Special Tax Fund pursuant to the Fiscal Agent Agreement, but no later than 10 Business Days after such receipt or transfer, the City will withdraw from the Special Tax Fund and transfer to the Fiscal Agent:

- (i) for deposit in the Bond Fund (see “– Bond Fund” below), an amount, taking into account any amounts then on deposit in the Bond Fund, such that the amount in the Bond Fund equals the principal, premium, if any, and interest due on the Bonds during the then-current Bond Year; and

- (ii) for deposit in the Reserve Fund (see “– Reserve Fund” below), an amount, taking into account amounts then on deposit in the Reserve Fund, so that the amount in the Reserve Fund equals the Reserve Requirement (as defined below).

After the transfers described above have been made, the City may, on or after September 2nd of each year, transfer to the Surplus Account of the Special Tax Fund the amount remaining in the Special Tax Fund, whereupon such moneys transferred shall be free of the pledge for payment of the Bonds. From time to time, the City may withdraw from the Surplus Account amounts needed to pay Administrative Expenses, costs of the Improvements or incidental expenses of the District authorized under the Act. Moneys in the Surplus Account may, at the City's discretion, also be used to pay the principal of, premium, if any, and interest on the Bonds or to replenish the Reserve Fund to the amount of the Reserve Requirement.

Delinquent Payments; Covenant for Superior Court Foreclosure

The Special Tax will be collected in the same manner and the same time as *ad valorem* property taxes, except at the City's option, the Special Taxes may be billed directly to property owners or collected at a different time to meet the City's financial obligations. In the event of a delinquency in the payment of any installment of Special Taxes, the City is authorized by the Act to order institution of an action in superior court to foreclose the lien therefor.

The City has covenanted in the Fiscal Agent Agreement with and for the benefit of the Owners of the Bonds that it will annually on or before September 1 of each year review the public records of the County relating to the collection of the Special Tax in order to determine the amount of the Special Tax collected in the prior Fiscal Year, and if the City determines on the basis of such review that the amount so collected is deficient by more than 5% of the total amount of the Special Tax levied in the District in such Fiscal Year, it will within 30 days thereafter institute foreclosure proceedings as authorized by the Act in order to enforce the lien of the delinquent installment of the Special Tax against each separate lot or parcel of land in the District for which such installment of the Special Tax is delinquent, and will diligently prosecute and pursue such foreclosure proceedings to judgment and sale. However, if the City determines on the basis of such review that (i) the amount so collected is deficient by less than 5% of the total amount of the Special Tax levied in the District in such Fiscal Year, but that property owned by any single property owner in the District is delinquent by more than \$5,000 with respect to the Special Tax due and payable by such property owner in such Fiscal Year, or (ii) property owned by any single property owner in the District is delinquent cumulatively by more than \$3,000 with respect to the current and past Special Tax due (irrespective of the total delinquencies in the District), then the City will institute, prosecute and pursue such foreclosure proceedings in the time and manner provided herein against each such property owner.

Under the Act, foreclosure proceedings are instituted by the bringing of an action in the superior court of the county in which the parcel lies, naming the owner and other interested persons as defendants. The action is prosecuted in the same manner as other civil actions. In such action, the real property subject to the special taxes may be sold at a judicial foreclosure sale for a minimum price that will be sufficient to pay or reimburse the delinquent special taxes.

The Owners of the Bonds benefit from the Reserve Fund established pursuant to the Fiscal Agent Agreement; however, if delinquencies in the payment of the Special Taxes with respect to the Bonds are significant enough to completely deplete the Reserve Fund, there could be a default or a delay in payments of principal and interest to the Owners of the Bonds pending prosecution of foreclosure proceedings and receipt by the City of the proceeds of foreclosure sales. Provided that it is not levying the Special Tax at the Maximum Annual Special Tax rates set forth in the Special Tax Formula, the City may adjust (but not to exceed the Maximum Annual Special Tax and subject to the limitation described under the caption “– Special Tax Methodology – Limitation on Increases of Special Tax Levy” above) the Special Taxes levied on all property within the District subject to the Special Tax to provide an amount required to pay debt service on the Bonds and to replenish the Reserve Fund.

Under current law, a judgment debtor (property owner) has at least 120 days from the date of service of the notice of levy in which to redeem the property to be sold. If a judgment debtor fails to redeem and the property is sold, his or her only remedy is an action to set aside the sale, which must be brought within 90 days of the date of sale. If, as a result of such an action a foreclosure sale is set aside, the judgment is revived and the judgment creditor is entitled to interest on the revived judgment as if the sale had not been made (California Code of Civil Procedure Section 701.680).

Foreclosure by court action is subject to normal litigation delays, the nature and extent of which are largely dependent upon the nature of the defense, if any, put forth by the debtor and the condition of the calendar of the superior court of the county. Such foreclosure actions can be stayed by the superior court on generally accepted equitable grounds or as the result of the debtor’s filing for relief under the Federal bankruptcy laws. The Act provides that, upon foreclosure, the Special Tax lien will have the same lien priority as is provided for *ad valorem*

taxes and special assessments. See “VALUE OF PROPERTY WITHIN THE DISTRICT AND SPECIAL TAX BURDEN – Overlapping Liens and Priority of Lien.”

No assurances can be given that the real property subject to a judicial foreclosure sale will be sold or, if sold, that the proceeds of sale will be sufficient to pay any delinquent Special Tax installment. The Act does not require the District to purchase or otherwise acquire any lot or parcel of property foreclosed upon if there is no other purchaser at such sale.

Section 53356.6 of the Act requires that property sold pursuant to foreclosure under the Act be sold for not less than the amount of judgment in the foreclosure action, plus post-judgment interest and authorized costs, unless the consent of the owners of 75% of the outstanding Bonds is obtained. However, under Section 53356.6 of the Act, the District, as judgment creditor, is entitled to purchase any property sold at foreclosure using a “credit bid,” where the District could submit a bid crediting all or part of the amount required to satisfy the judgment for the delinquent amount of the Special Tax. If the District becomes the purchaser under a credit bid, the District must pay the amount of its credit bid into the redemption fund established for the Bonds, but this payment may be made up to 24 months after the date of the foreclosure sale.

Reserve Fund

The Reserve Fund is a combined debt service reserve fund, which secures the 2019 Bonds, 2017 Bonds and any Additional Bonds that may be issued in the future. For the 2019 Bonds and each other respective series of Additional Bonds, the Fiscal Agent will establish a separate subaccount within the Reserve Fund for accounting purposes only. Moneys in each subaccount shall be held in trust by the Fiscal Agent for the benefit of the Owners of all of the Bonds as a reserve for the payment of principal of, and interest on, all of the Bonds and will be subject to a lien in favor of the Owners of all of the Bonds.

Upon delivery of the 2019 Bonds, the amount on deposit in the Reserve Fund will be increased by depositing certain proceeds of the 2019 Bonds in the amount needed to satisfy the Reserve Requirement at the time of issuance of the 2019 Bonds. As defined in the Fiscal Agent Agreement, “**Reserve Requirement**” means the lesser of 10% of the original principal amount of the Bonds covered by the Reserve Fund as calculated by the City, 100% of maximum annual debt service on the Bonds covered by the Reserve Fund, or 125% of average annual debt service on the Bonds covered by the Reserve Fund, as calculated at the time of issuance thereof. However, in no event will the City, in connection with the issuance of Additional Bonds covered by the Reserve Fund be obligated to deposit an amount in the Reserve Fund which is in excess of the amount permitted by the applicable provisions of the Tax Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, in the event the amount of any such deposit into the Reserve Fund is so limited, the Reserve Requirement will, in connection with the issuance of such Additional Bonds, be increased only by the amount of such deposit as permitted by the Code, and the District may meet all or a portion of the Reserve Requirement by depositing a Qualified Reserve Fund Credit Instrument in the Reserve Fund as described above.

The City is required to maintain an amount of money or other security equal to the Reserve Requirement in the Reserve Fund at all times that the Bonds are outstanding. Except as otherwise provided in the Fiscal Agent Agreement, all amounts deposited in the Reserve Fund will be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Bond Fund in the event of any deficiency within 5 days prior to any Interest Payment Date in the Bond Fund of

the amount required for payment of the principal of, and interest on, the respective series of Bonds on such Interest Payment Date.

To the extent the Fiscal Agent is required to draw on amounts in the Reserve Fund, the Fiscal Agent will draw on such amounts from any accounts within the Reserve Fund on a pro rata basis based upon the amounts produced by calculating the Reserve Requirement for each series of Bonds related to such accounts; provided, that because the accounts are established within the Reserve Fund solely for the purpose of complying with federal tax law, nothing in the Fiscal Agent Agreement will be construed to limit the availability of amounts in any account within the Reserve Fund to pay debt service on any series of Bonds.

Whenever, on the Business Day prior to any Interest Payment Date, the amount in the Reserve Fund exceeds the then applicable Reserve Requirement, the Fiscal Agent will transfer an amount equal to the excess from the Reserve Fund to the Improvement Fund (if the Project has not been completed as the date of such transfer) or to the Bond Fund (if the Project has been completed as of such date), except that investment earnings on amounts in the Reserve Fund may be withdrawn from the Reserve Fund for purposes of making payment to the Federal government to comply with rebate requirements.

Whenever the balance in the Reserve Fund exceeds the amount required to redeem or pay the outstanding Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, and make any other transfer required under the Fiscal Agent Agreement, the Fiscal Agent will transfer the amount in the Reserve Fund to the Bond Fund to be applied, on the next succeeding Interest Payment Date, to the payment and redemption of all of the outstanding Bonds. If the amount so transferred from the Reserve Fund to the Bond Fund exceeds the amount required to pay and redeem the outstanding Bonds, the balance in the Reserve Fund will be transferred to the City, after payment of any amounts due the Fiscal Agent, to be used for any lawful purpose of the City.

The City has the right at any time to cause the Fiscal Agent to release funds from the Reserve Fund, in whole or in part, by tendering to the Fiscal Agent: (i) a Qualified Reserve Fund Credit Instrument (as defined below), and (ii) an opinion of bond counsel stating that such release will not, of itself, cause the portion of the interest on the Bonds to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Fiscal Agent, the Fiscal Agent will transfer such funds from the Reserve Fund to the City. Prior to the expiration of any Qualified Reserve Fund Credit Instrument, the City is obligated either to replace such Qualified Reserve Fund Credit Instrument with a new Qualified Reserve Fund Credit Instrument, or to deposit or cause to be deposited with the Fiscal Agent an amount of funds such that the funds on deposit in the Reserve Fund together with all Qualified Reserve Fund Credit Instruments held by the Fiscal Agent is at least equal to the Reserve Requirement (which funds may come from a draw by the Fiscal Agent on the Qualified Reserve Fund Credit Instrument prior to its expiration).

A **"Qualified Reserve Fund Credit Instrument"** means an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company and deposited with the Fiscal Agent, provided that all of the following requirements are met:

- (i) the long-term credit rating of such bank or insurance company is rated in the "AA" category or higher by S&P or Moody's at the time of issuance;
- (ii) such letter of credit or surety bond has a term of at least 12 months;

(iii) such letter of credit or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released under the Fiscal Agent Agreement; and

(iv) the Fiscal Agent is authorized pursuant to the terms of such letter of credit or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Bond Fund for the purpose of making payments required pursuant to the Fiscal Agent Agreement.

If a Qualified Reserve Fund Credit Instrument were obtained in the future, and the long-term credit rating of the provider thereof was downgraded after the date of issuance of such Qualified Reserve Fund Credit Instrument, the City would not be obligated to replace the Qualified Reserve Fund Credit Instrument or otherwise fund the Reserve Fund.

Improvement Fund

Under the Fiscal Agent Agreement, there is established an Improvement Fund (the **"Improvement Fund"**), which is to be held in trust by the Fiscal Agent and will be disbursed as provided in the Fiscal Agent Agreement for the payment or reimbursement of the costs of the construction and acquisition of the Improvements. See **"THE IMPROVEMENTS."** Interest earnings from the investment of amounts in the Improvement Fund will be retained in the Improvement Fund to be used for the purposes of the Improvement Fund. Upon completion of the Improvements and the payment of all Administrative Expenses of the District, the Fiscal Agent will transfer the amount, if any, remaining in the Improvement Fund to the Bond Fund for application to the payment of principal of and interest on the Bonds in accordance with the Fiscal Agent Agreement, and the Improvement Fund will be closed.

Additional Bonds

The District is authorized to issue up to \$75,000,000 of bonds, of which the 2019 Bonds represent the second series. Additional Bonds may be issued in the future to pay for the construction and acquisition of improvements necessary for further development of land in the District, on a parity with the 2019 Bonds and the 2017 Bonds. The City may by a Supplemental Agreement to the Fiscal Agent Agreement (a **"Supplemental Agreement"**), authorize the issuance of one or more additional series of Additional Bonds, payable from Special Taxes and secured by the Special Taxes on a parity with the Bonds previously issued, as development progresses in the District and upon compliance by the City with the conditions set forth in the Fiscal Agent Agreement, which include the following:

(i) The deposit into a subaccount in the Reserve Fund, or into a separate parity reserve fund, forthwith upon the receipt of the proceeds of the sale of such Additional Bonds, an amount at least equal to the Reserve Requirement with respect to such Series.

(ii) For each Bond Year that the Bonds and any Additional Bonds will be outstanding, projected maximum Special Taxes (net of County administration charges applicable to such Bonds and Additional Bonds at the time of issuance of the Additional Bonds) in each Fiscal Year are equal to or greater than 110% of debt service due in the Bond Year that begins in the corresponding Fiscal Year.

(iii) The aggregate value of all parcels in the District subject to the Special Tax, including then existing improvements and any facilities to be constructed or acquired with the proceeds of the proposed series of bonds, as determined by an MAI appraisal or, in the alternative, the assessed value of all such parcels and improvements thereon (and improvements to be financed from proceeds of the bonds proposed to be issued) as shown on the then current County tax roll, or by a combination of both methods is at least 3.00 times the sum of (1) the aggregate principal amount of all Bonds then outstanding plus (2) the aggregate principal amount of the series of Additional Bonds proposed to be issued, plus (3) the aggregate principal amount of any bonds then outstanding and payable from assessments which are a lien against property in the District, plus (4) a portion of the aggregate principal amount of all Mello-Roos bonds, other than the Bonds then outstanding, and payable at least partially from special taxes to be levied on parcels of land subject to the Special Tax within the District (the **"Other Mello-Roos Bonds"**) equal to the aggregate principal amount of the Other Mello-Roos Bonds multiplied by a fraction, the numerator of which is the amount of special taxes levied for the Other Mello-Roos Bonds on parcels of land within the District subject to the Special Tax, and the denominator of which is the total amount of special taxes levied for the Other Mello-Roos Bonds on all parcels of land subject to the Special Tax against which the special taxes are levied to pay the Other Mello-Roos Bonds (such fraction to be determined based upon the special taxes which could be levied the year in which maximum annual debt service on the Other Mello-Roos Bonds occurs), based upon information from the most recent available Fiscal Year.

Nothing in the Fiscal Agent Agreement will prevent or be construed to prevent any Supplemental Agreement to the Fiscal Agent Agreement providing for the issuance of Additional Bonds from pledging or otherwise providing, in addition to the security given or intended to be given by the Fiscal Agent Agreement, additional security for the benefit of such Additional Bonds or any portion thereof.

DEBT SERVICE SCHEDULE

The annual debt service on the 2019 Bonds and 2017 Bonds, based on the interest rates and maturity schedule for each series, and assuming no optional or extraordinary redemptions for prepayments, is set forth below.

City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities) Debt Service Schedule

Year Ending (Sept. 1)	2017 Bonds Principal and Interest	2019 Bonds Principal	2019 Bonds Interest	2017 Bonds and 2019 Bonds Total
2020	\$1,280,700	--	\$711,201.94	\$1,991,901.94
2021	1,307,700	\$220,000	780,587.50	2,308,287.50
2022	1,333,800	250,000	771,787.50	2,355,587.50
2023	1,359,000	280,000	761,787.50	2,400,787.50
2024	1,384,500	315,000	750,587.50	2,450,087.50
2025	1,413,250	350,000	737,987.50	2,501,237.50
2026	1,450,000	375,000	723,987.50	2,548,987.50
2027	1,474,250	420,000	705,237.50	2,599,487.50
2028	1,496,500	470,000	684,237.50	2,650,737.50
2029	1,531,750	510,000	660,737.50	2,702,487.50
2030	1,564,250	560,000	635,237.50	2,759,487.50
2031	1,594,000	560,000	607,237.50	2,761,237.50
2032	1,626,000	555,000	579,237.50	2,760,237.50
2033	1,660,000	545,000	551,487.50	2,756,487.50
2034	1,690,750	545,000	524,237.50	2,759,987.50
2035	1,723,250	535,000	502,437.50	2,760,687.50
2036	1,762,250	515,000	481,037.50	2,758,287.50
2037	1,792,250	500,000	465,587.50	2,757,837.50
2038	1,833,500	485,000	440,587.50	2,759,087.50
2039	1,870,250	470,000	416,337.50	2,756,587.50
2040	1,907,500	460,000	392,837.50	2,760,337.50
2041	1,945,000	435,000	377,887.50	2,757,887.50
2042	1,982,500	410,000	363,750.00	2,756,250.00
2043	2,019,750	395,000	343,250.00	2,758,000.00
2044	2,061,500	375,000	323,500.00	2,760,000.00
2045	2,097,250	355,000	304,750.00	2,757,000.00
2046	2,147,000	325,000	287,000.00	2,759,000.00
2047	2,199,750	290,000	270,750.00	2,760,500.00
2048	--	2,500,000	256,250.00	2,756,250.00
2049	--	2,625,000	131,250.00	2,756,250.00
Total	\$47,508,200	\$16,630,000	\$15,542,789.44	\$79,680,989.44

Source: Underwriter.

The Bonds have been structured so that the projected Special Tax Revenues from the levy of the Maximum Annual Special Tax is anticipated to result in a debt service coverage ratio of at least 110% while the Bonds are Outstanding.

THE WEST ROSEVILLE SPECIFIC PLAN

The West Roseville Specific Plan (“**WRSP**”) is the primary land use, policy and regulatory document used to guide development of the land in the District. The WRSP establishes a development framework for land use, affordable housing, resource protection, circulation, utilities and services, implementation and design. All development projects and related activities in the WRSP area are required to be consistent with the WRSP. The WRSP implements the goals and policies of the City of Roseville General Plan, and augments these goals and policies by providing specific direction to reflect conditions unique to the project and plan area. The WRSP contains approximately 3,162 acres of land comprised of an approximately 1,678-acre portion known as “Fiddymment Ranch” and an approximately 1,484-acre portion known as “Westpark.”

The WRSP land use plan includes a blend of residential, community commercial, parks, open space and public uses. The WRSP includes a total of 10,438 dwelling units. Other proposed land uses include a total of approximately 705 acres set aside in open space; 252 acres of parks; 136 acres of public/quasi-public uses; 63 acres of community commercial; and 88 acres of industrial and light industrial uses. The WRSP was originally adopted in February 2004 and has been amended since then, most recently in September 2015.

THE DISTRICT

Formation of the District

On January 20, 2016, the City Council adopted a Resolution of Intention to form a community facilities district under the Act, to levy a special tax and to incur bonded indebtedness for the purpose of financing certain public infrastructure improvements. After conducting a noticed public hearing, on March 16, 2016, the City Council adopted the Resolution of Formation, which established the District, set forth the Special Tax Formula within the District and described the Improvements to be financed by the District. On the same day, an election was held within the District in which all of the qualified landowners in the District approved the proposed bonded indebtedness in the maximum aggregate principal amount of \$75,000,000 and the levy of the Special Tax in accordance with the Special Tax Formula. See “OWNERSHIP OF PROPERTY WITHIN THE DISTRICT” below.

The 2019 Bonds (like the 2017 Bonds) will provide a funding source for moneys expended to finance the public infrastructure and facilities authorized to be financed by the levy of Special Taxes in the District, which are referred to herein as the Improvements. The list of eligible Improvements is set forth in Exhibit A to the Resolution of Formation, adopted by the City Council, as the legislative body of the District, on March 16, 2016. These Improvements generally consist of backbone roads and other transportation improvements, potable and non-potable water system improvements, drainage system improvements, wastewater system improvements, solid waste improvements, parks and paseos, and open space.

Location and Description of the District and the Immediate Area

The District is located in the northwestern area of the City, within the Fiddymment Ranch portion of the WRSP, approximately 20 miles northeast of the central business district of Sacramento. The process of annexation of the area to the City was completed in October 2004. The area is generally west of existing Fiddymment Road and bounded by Phillip Road on the south and west. Central access to the District is via Blue Oaks Boulevard, a primary east-west traffic arterial that connects to State Highway 65 and ultimately to the Interstate 80 freeway system.

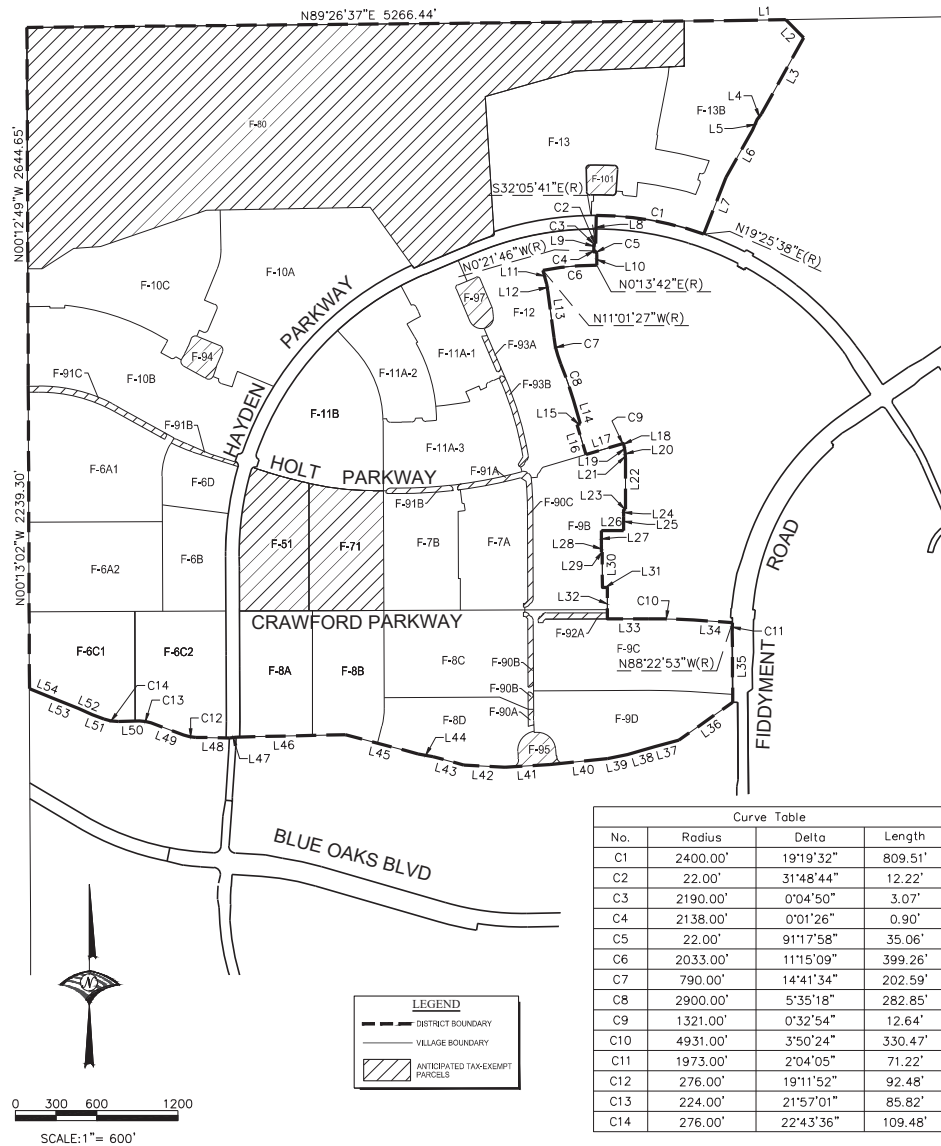
Interstate 80 freeway is located approximately three miles southeast of the State Highway 65/Blue Oaks Boulevard junction and merges with State Highway 65 at an interchange system.

Much of the area in this portion of the City has experienced a transition from largely undeveloped, agriculturally oriented uses toward a mixture of suburban land uses. The predominant approved suburban land use within the City limits in the vicinity of the District is single-family residential. The District is adjacent to recently constructed residential subdivisions to the south and east, including those in the Crocker Ranch and Doctor's Ranch area to the east, and in the Woodcreek Oaks and Diamond Creek area to the southeast, and in the Westpark and Westbrook neighborhoods to the south. New home construction and sales are still underway in the vicinity of the District.

Maps. A District boundary map and land use map for property in the District are shown on the following pages.

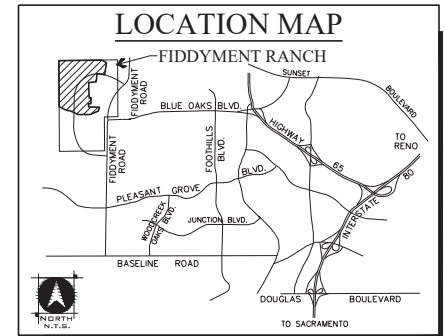
PROPOSED BOUNDARIES OF
FIDDYMMENT RANCH COMMUNITY FACILITIES DISTRICT No. 5
 (PUBLIC FACILITIES)

CITY OF ROSEVILLE, COUNTY OF PLACER, STATE OF CALIFORNIA
 SECTIONS 13 AND 24, T. 11 N., R. 5 E. AND A PORTION OF SECTION 18, T. 11 N., R. 6 E., M.D.B.&M.



No.	Radius	Delta	Length
C1	2400.00'	19°19'32"	809.51'
C2	22.00'	31°48'44"	12.22'
C3	2190.00'	0°04'50"	3.07'
C4	2138.00'	0°01'26"	0.90'
C5	22.00'	91°17'58"	35.06'
C6	2033.00'	11°15'09"	399.26'
C7	790.00'	14°41'34"	202.59'
C8	2900.00'	5°35'18"	282.85'
C9	1321.00'	0°32'54"	12.64'
C10	4931.00'	3°50'24"	330.47'
C11	1973.00'	2°04'05"	71.22'
C12	276.00'	19°11'52"	92.48'
C13	224.00'	21°57'01"	85.82'
C14	276.00'	22°43'36"	109.48'

No.	Bearing	Length
L1	N88°56'05"E	336.22'
L2	N44°35'12"W	188.64'
L3	N29°04'16"E	642.86'
L4	N37°08'16"E	52.97'
L5	N24°01'12"E	84.43'
L6	N29°04'16"E	401.30'
L7	N21°30'48"E	448.04'
L8	N0°57'40"E	206.69'
L9	N0°21'46"W	52.00'
L10	N0°57'40"E	82.62'
L11	N14°43'07"W	105.23'
L12	N10°49'21"W	52.00'
L13	N7°21'01"W	346.96'
L14	N16°27'17"W	180.29'
L15	N7°33'43"E	25.00'
L16	N16°27'17"W	230.50'
L17	N7°33'43"E	275.10'
L18	N15°54'23"W	12.50'
L19	N9°14'37"W	58.72'
L20	N4°48'14"W	15.23'
L21	N1°55'09"W	21.92'
L22	N0°13'02"W	378.54'
L23	N89°46'58"E	14.80'
L24	N0°00'00"E	52.00'
L25	N0°13'02"W	105.00'
L26	N89°46'58"E	165.00'
L27	N0°13'02"W	105.00'
L28	N0°06'31"W	52.00'
L29	N89°46'58"E	6.31'
L30	N0°13'02"W	262.00'
L31	N89°46'58"E	36.74'
L32	N0°13'02"W	233.00'
L33	N89°46'58"E	305.22'
L34	N86°22'38"W	287.06'
L35	N0°26'58"W	518.24'
L36	N55°00'35"E	486.06'
L37	N74°28'30"E	183.80'
L38	N73°54'28"E	208.17'
L39	N78°27'30"E	151.07'
L40	N84°17'15"E	427.71'
L41	N86°22'37"E	333.50'
L42	N86°50'50"W	303.29'
L43	N74°51'00"W	237.11'
L44	N79°30'56"W	111.33'
L45	N75°15'02"W	554.80'
L46	N88°47'27"E	806.41'
L47	N81°46'49"E	50.82'
L48	N88°48'23"W	248.43'
L49	N69°36'31"W	256.50'
L50	N88°26'28"E	156.23'
L51	N68°49'56"W	91.74'
L52	N66°34'26"W	111.40'
L53	N67°53'05"W	204.07'
L54	N68°11'31"W	186.59'



CITY CLERK'S STATEMENT

FILED IN THE OFFICE OF THE CLERK OF THE CITY OF ROSEVILLE, CALIFORNIA ON THIS _____ DAY OF _____.

SONIA OROZCO, CITY CLERK
 CITY OF ROSEVILLE,
 PLACER COUNTY, CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF FIDDYMMENT RANCH COMMUNITY FACILITIES DISTRICT NO. 5 (PUBLIC FACILITIES), CITY OF ROSEVILLE, COUNTY OF PLACER, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF ROSEVILLE, AT A MEETING THEREOF, HELD ON THE _____ DAY OF _____, BY ITS RESOLUTION NUMBER _____.

SONIA OROZCO, CITY CLERK
 CITY OF ROSEVILLE,
 PLACER COUNTY, CALIFORNIA

RECORDER'S STATEMENT

FILED THIS _____ DAY OF _____, AT THE HOUR OF _____ O'CLOCK _____ M., IN BOOK _____ OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____ IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF PLACER, STATE OF CALIFORNIA.

COUNTY RECORDER, COUNTY OF PLACER

WOOD RODGERS
 DEVELOPING INNOVATIVE DESIGN SOLUTIONS
 3301 C St, Bldg. 100-B Tel 916.341.7760
 Sacramento, CA 95816 Fax 916.341.7767

DECEMBER 2015

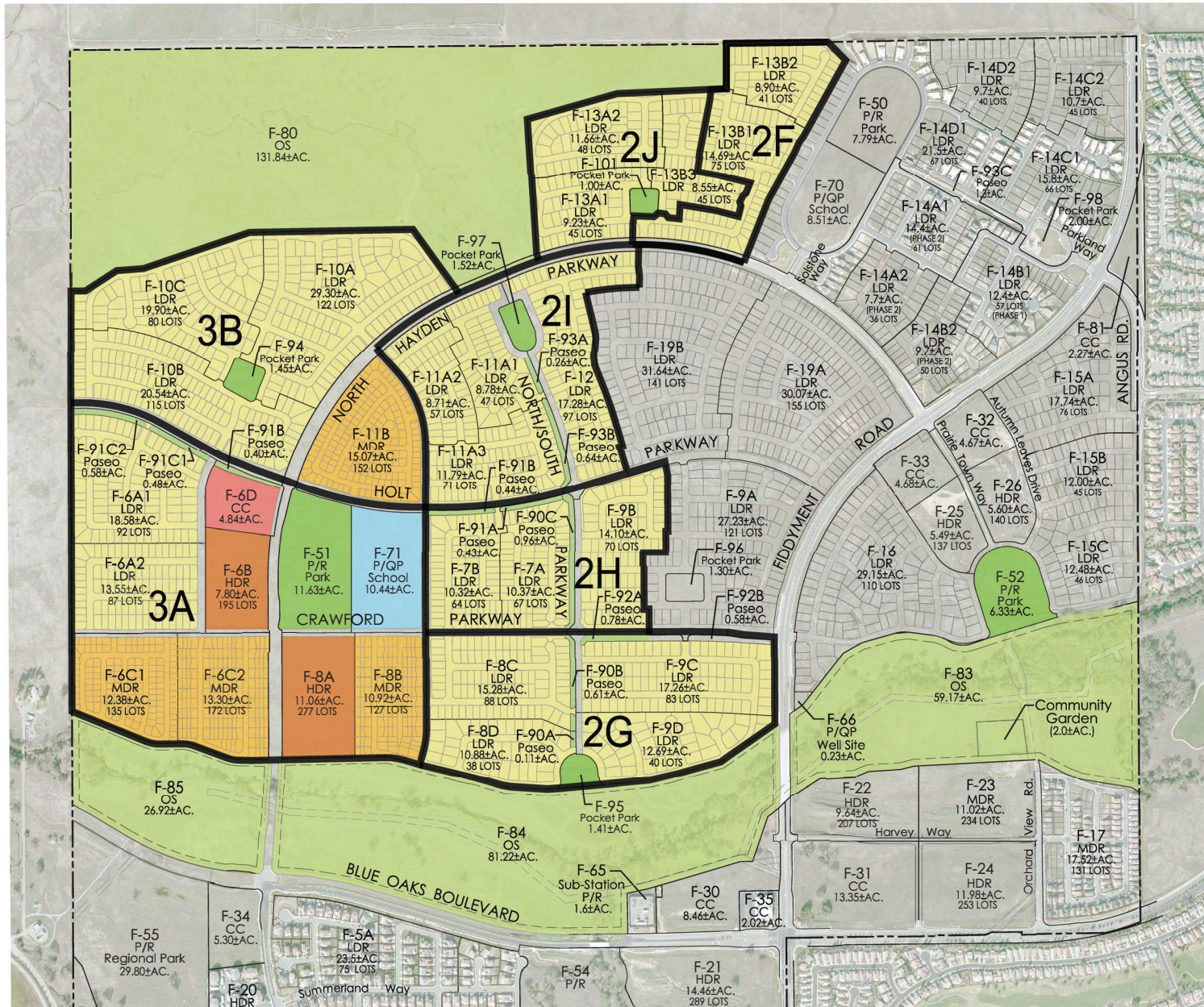
Sheet 1 of 1

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PHASING PLAN APPROVED FIDDYMENT RANCH - REMAINDER

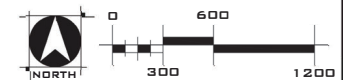
CITY OF ROSEVILLE, CALIFORNIA

MARCH 1, 2017



LAND USE SUMMARY BY PHASE

PHASE NO.	VEHICLE/ LOT NO.	SPECIFIC PLAN	LAND USE DESCRIPTION	MINIMUM LOT DIM.	DWELLING UNITS	ACRE	DENSITY D#/AC
2F	F-13B-1	LDR	LOW DENSITY RESIDENTIAL	50'X105'	75	14.69	5.1
	F-13B-2	LDR	LOW DENSITY RESIDENTIAL	50'X105'	41	8.90	4.6
SUBTOTAL					116	23.59	
2G	F-8C	LDR	LOW DENSITY RESIDENTIAL	50'X105'	88	15.28	5.8
	F-8D	LDR	LOW DENSITY RESIDENTIAL	45'X115'	38	10.88	3.5
	F-9C	LDR	LOW DENSITY RESIDENTIAL	60'X105'	83	17.26	4.8
	F-9D	LDR	LOW DENSITY RESIDENTIAL	65'X107'	40	12.69	3.2
	F-9E	LDR	POCKET PARK			1.41	
	F-90A	LDR	PASEO			0.11	
	F-90B	LDR	PASEO			0.61	
	F-92A	LDR	PASEO			0.78	
	F-92B	LDR	PASEO			0.58	
	SUBTOTAL					249	59.60
2H	F-7A	LDR	LOW DENSITY RESIDENTIAL	45'X100'	67	10.37	6.5
	F-7B	LDR	LOW DENSITY RESIDENTIAL	45'X100'	64	10.32	6.2
	F-9B	LDR	LOW DENSITY RESIDENTIAL	55'X105'	70	14.10	5.0
	F-90C	LDR	PASEO			0.96	
	F-91A	LDR	PASEO			0.43	
	F-91B	LDR	PASEO			0.44	
SUBTOTAL					201	34.62	
2I	F-11A-1	LDR	LOW DENSITY RESIDENTIAL	45'X105'	47	8.78	5.4
	F-11A-2	LDR	LOW DENSITY RESIDENTIAL	45'X105'	57	8.71	6.5
	F-11A-3	LDR	LOW DENSITY RESIDENTIAL	45'X105'	71	11.79	6.0
	F-12	LDR	LOW DENSITY RESIDENTIAL	50'X105'	97	17.28	5.6
	F-97	LDR	POCKET PARK			1.52	
	F-93A	LDR	PASEO			0.26	
	F-93B	LDR	PASEO			0.64	
	SUBTOTAL					272	48.98
2J	F-13A-1	LDR	LOW DENSITY RESIDENTIAL	55'X105'	45	9.23	4.9
	F-13A-2	LDR	LOW DENSITY RESIDENTIAL	55'X105'	48	11.66	4.1
	F-13B-3	LDR	LOW DENSITY RESIDENTIAL	50'X105'	45	8.55	5.3
	101	LDR	POCKET PARK			1.00	
SUBTOTAL					138	30.44	
3A	F-6A1	LDR	LOW DENSITY RESIDENTIAL	55'X110'	92	18.58	5.0
	F-6A2	LDR	LOW DENSITY RESIDENTIAL	50'X105'	87	13.55	6.4
	F-6C1	MDR	MEDIUM DENSITY RESIDENTIAL	43'X57'	135	12.38	10.9
	F-6C2	MDR	MEDIUM DENSITY RESIDENTIAL	28'X73'	172	13.30	12.9
	F-8B	MDR	MEDIUM DENSITY RESIDENTIAL	28'X73'	127	10.92	11.6
	F-6B	HDR	HIGH DENSITY RESIDENTIAL		195	7.80	25.0
	F-8A	HDR	HIGH DENSITY RESIDENTIAL		277	11.06	25.0
	F-6D	CC	COMMUNITY COMMERCIAL			4.84	
	F-71	P/QP	ELEMENTARY SCHOOL			10.44	
	F-51	P/R	PARKS AND RECREATION			11.63	
	F-91B	LDR	PASEO			0.40	
	F-91C1	LDR	PASEO			0.48	
	F-91C2	LDR	PASEO			0.58	
	SUBTOTAL					1085	115.94
3B	F-10A	LDR	LOW DENSITY RESIDENTIAL	55'X110'	122	29.30	4.2
	F-10B	LDR	LOW DENSITY RESIDENTIAL	50'X105'	115	20.54	5.6
	F-10C	LDR	LOW DENSITY RESIDENTIAL	40'X112'	80	19.90	4.0
	F-11B	MDR	MEDIUM DENSITY RESIDENTIAL	43'X57'	152	15.07	10.1
	F-94	LDR	POCKET PARK			1.45	
	SUBTOTAL					469	86.26
RIGHT-OF-WAY						21.43	
TOTAL					2530	422.88	



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Development Overview

ATC Realty One has provided the following information with respect to development within the District. No assurance can be given that all information is complete. No assurance can be given that development of the property will be completed, or that it will be completed in a timely manner. Since the ownership of the parcels is subject to change, the development plans outlined below may not be continued by the subsequent owner if the parcels are sold, although development by any subsequent owner will be subject to the WRSP, the Development Agreement and the policies and requirements of the City. No assurance can be given that the plans or projections detailed below will actually occur.

Background. The land in the District is a portion of a larger master planned community known as “Fiddymment Ranch,” and has been marketed to the general public as “Fiddymment Farm.” The WRSP contemplated that Fiddymment Ranch would be developed in three phases. Initially, the land in all three phases was included within CFD No. 1, which was formed in 2004. During the real estate downturn which began in 2007, the original developer of Fiddymment Ranch ran into financial distress and lost title to a portion of the development. The City established the District in 2016 and, the following year, issued the 2017 Bonds, the proceeds of which were used, in part, to prepay the special tax lien of CFD No. 1 on all of the property in the District and, in part, to finance infrastructure improvements. CFD No. 1 now includes all of the property within phase 1, more than half of the property within phase 2, and a small portion of the property within phase 3; no land in the District remains in CFD No. 1.

Initial homebuilding activity in the CFD No. 1 portion of Fiddymment Ranch began in late 2005 and has been ongoing since then. Nearly all of the taxable parcels within the CFD No. 1 portion of Fiddymment Ranch that are planned for single-family residential use have been developed and sold to individual homeowners; however, some taxable parcels within CFD No. 1 that are planned for high-density residential/multi-family or commercial uses remain undeveloped, and the land in the District comprises a portion of Phase 2 and all but one developable parcel within Phase 3.

Development Agreement. ATC Realty One and each of the merchant builders (with respect to property each owns within the District) are parties/assignees to a development agreement dated February 18, 2004 (as amended to date, the “**Development Agreement**”) with the City in accordance with applicable state and local codes. The Development Agreement vests development rights, sets forth infrastructure improvements and dedication requirements, secures the timing and methods for financing improvements, and specifies other performance obligations as related to development in the WRSP area. All of the property in the District is subject to the requirements of the Development Agreement as well as the WRSP. The Development Agreement was entered into in accordance with Sections 65864 through 65869.5 of the California Government Code, as implemented through Article V, Chapter 19.84 of the City’s Zoning Ordinance No. 3014.

The Development Agreement is the primary implementation tool for the WRSP and creates a binding contract between the City and ATC Realty One and their assigned successors in interest (including the current merchant builders), which sets forth the needed infrastructure improvements, park dedication requirements, timing and method for financing improvements and other specific performance obligations of the City and owner-developers of property in the District, as such obligations relate to development of the property in the District, including the terms, conditions, rules, regulations, entitlements, vested rights and other provisions relating to the development of the property in the District according to the WRSP. The Development Agreement

includes provisions relating to infrastructure improvements, public dedication requirements, landscaping amenities and other obligations of the parties. The Development Agreement has a 20-year term (expiring in the year 2024), runs with the property, and may be terminated, modified or extended by circumstances set forth therein or by mutual consent of the City and owner-developers of property in the District and in a manner consistent with the WRSP. With the Development Agreement in place, subject to compliance with the terms of the Development Agreement, construction of homes within the District may occur upon City approval of subdivision maps, satisfaction of certain design requirements and conditions of such maps and issuance of building permits. Until the Development Agreement terminates or expires, it will be binding on ATC Realty One and all successors (including the current merchant builders). ATC Realty One is currently processing an application with the City to extend the term of the Development Agreement to 2054.

The Development Agreement sets forth the responsibility of ATC Realty One and its successors for a portion of the costs of certain public improvements required by the Development Agreement. Funding of the Improvements with proceeds of the Bonds will satisfy a portion, but not all, of the relevant obligations under the Development Agreement relating to infrastructure improvements required by the Development Agreement. The estimate of value provided in the Appraisal assumes the Improvements funded by the 2017 Bonds and the 2019 Bonds are in place. The Improvements not funded from proceeds of the 2017 Bonds, 2019 Bonds or additional future series of Bonds, or pay-as-you-go available from the levy of Special Taxes, are expected to be funded by ATC Realty One, merchant builders or other parties. See “THE IMPROVEMENTS” below.

Entitlements. Land in the District consists of approximately 533 net acres, and is entitled for 2,530 residential units, consisting of 1,472 low-density residential (LDR) lots, 586 medium density residential (MDR) lots, and 472 high-density residential (HDR) units. Additionally, the District is expected to include commercial areas, a school, park sites and various open space areas along the roads classified as “Paseo” areas. The multi-family and commercial parcels have zoning in place for development, but no additional entitlements/maps.

The District is being developed in seven sub-phases with 28 component villages. To date, home construction and sales are underway in three of these sub-phases, which are planned for a total of 566 homes. Final maps for the next two sub-phases, planned for 410 homes are expected by October 2019. See Table 3, below.

Utilities. All public utilities, including electricity, natural gas, sewer, water, and telephone, are being extended to individual lots within the District upon completion of site development related to the lots. The City provides water, electric, police and fire services, and Pacific Gas & Electric Company provides natural gas. Sewer and storm water facilities are also provided by the City.

Affordable Units. The City’s General Plan Housing Element establishes a citywide goal that 10% of all new housing units in the City will be affordable to middle-, low- and very-low income households. Housing affordability is based on household income categories defined by the U.S. Department of Housing and Urban Development. Presently, there are two parcels in the District subject to affordable housing restrictions – Parcels F-6B and F-8A. Parcel F-6B is approved for 195 rental units, and is expected to include 66 “very low income” units, 66 “low income” units and 63 “moderate income” units (no market rate units). Parcel F-8A is approved for 277 units and is expected to include 54 “moderate income” units, with the remaining 223 units expected to be market rate. Given the affordable housing restrictions on Parcel F-6B, the Appraiser provided an

estimated market value of \$0 for this parcel. Despite this estimate of value, this parcel is subject to the Special Tax securing the Bonds. The construction of the affordable housing is not a condition for the development of the other taxable property in the District.

Acquisition Agreement. ATC Realty One expects construction of the Improvements to be completed on an ongoing basis as needed to allow development of land in the District, with final Improvements completed in 2021. The timing of construction of the Improvements by ATC Realty One, the construction of homes and commercial buildings by merchant builders and others, and the commencement of sales of homes to homebuyers and commercial buildings to commercial owners and/or occupancy by tenants is dependent upon market conditions.

The City and ATC Realty One previously entered into a Funding, Construction and Acquisition Agreement (the “**Acquisition Agreement**”), which provides that ATC Realty One will construct (or cause to be constructed or funded) certain Improvements consisting of roadways and related facilities. The City, upon completion of construction and acceptance by the City, will purchase those Improvements. Proceeds of the 2019 Bonds will be used by the City to pay a portion of the purchase price of the Improvements pursuant to the terms of the Acquisition Agreement. ATC Realty One will be responsible for the cost to construct the Improvements that is not paid for with special tax bond proceeds or pay-as-you-go financing from the Special Tax.

Environmental Matters

Flood Zone. Land in the District is located within three different flood zones, although none of the developable areas of the property is within a designated floodplain. The majority of the property is located within Zone X – areas determined to be outside of the 500-year flood plain. A portion of the land in the District (the open space area known as Parcel F-85) is located within Zone A (area inundated by 100-year flood, no base flood elevations determined) or Zone AE (area inundated by 100-year flood, flood elevations determined). This information comes from the Federal Emergency Management Agency’s flood insurance rate maps (Community-Panel Number 06061C-0936H, with an effective date of November 2, 2018). Flood insurance is not required within the developable areas of the District (Zone X areas). In addition, all of the developable land in the District is located outside of the Central Valley Flood Protection Plan’s target 200-year level of protection area.

Wetland Conditions; Section 404 Permits. According to the City’s planning department, all wetland mitigation requirements have been met for development of land in the District. In addition, all developable properties within the boundaries of the District have a Section 404 permit in place from the U.S. Army Corp. of Engineers. The U.S. Army Corp. of Engineers has extended the time to complete the necessary and authorized work to December 30, 2020; ATC Realty One anticipates applying for, and receiving, an extension to this Section 404 permit in a timely manner.

Section 1602 Streambed Alteration Agreement(s). Section 1602 of the California Fish and Game Code requires an entity to notify the California Department of Fish and Wildlife (“**CDFW**”) prior to commencing certain activities affecting rivers, streams or lakes in the State. In connection with development of land in the District, ATC Realty One has entered into all required streambed alteration agreement(s) with CDFW and will perform its development activities in accordance therewith. ATC Realty One is not aware of any issues that would prevent it from securing the needed Section 1602 agreements and is not aware of any impediments to complying with all such required agreements with CDFW.

Seismic Conditions. According to the California Seismic Safety Commission, the District is located within Zone 3, which is considered to be the lowest risk zone in California. There are only two earthquake zones in California: Zone 4, which is assigned to areas near major faults; and Zone 3, which is assigned to all other areas of more moderate seismic activity. In addition, the District is not located in a Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone), as defined by Special Publication 42 (revised January 1994) of the California Department of Conservation, Division of Mines and Geology.

Status of the Improvements

A significant level of backbone infrastructure is required for the development of land in the WRSP, including the land in the District. These improvements include basic streets, sidewalks, water, sewer, drainage, concrete curb, gutter and paving and all of the relevant utilities in the basic streets. Construction of backbone infrastructure within the Fiddymont Ranch portion of the WRSP was planned in three phases (phases 1, 2 and 3, with phases 2 and 3 representing work needed for land in the District) in order to proceed as necessary to facilitate periodic sales of land to merchant builders and the commencement of the merchant builders' homebuilding operations according to market demand. All of the Phase 1 backbone infrastructure, which supports development within neighboring CFD No. 1, has been completed.

The backbone infrastructure needed for land in the District has been partially completed, with construction remaining ongoing by ATC Realty One. The total estimated cost of the Improvements to be constructed in connection with development of land in the District that are eligible for reimbursement from Bonds or special taxes levied in the District, as shown in the following table, is approximately \$53.7 million, of which approximately \$18.6 million had been completed as of August 1, 2019. The cost of the Improvements has been, and will be, initially paid for by ATC Realty One, with ATC Realty One to be reimbursed for improvement expenditures from the proceeds of the Bonds. Approximately \$6.0 million of the total set forth below was financed by the proceeds of the 2017 Bonds, an additional approximately \$17.0 million is anticipated to be financed by the proceeds of the 2019 Bonds, and another approximately \$18.3 million is anticipated to be financed by one or more future series of Bonds. See "OWNERSHIP OF PROPERTY WITHIN THE DISTRICT – ATC Realty One Financing Plan" for a description of other sources of funding available to ATC Realty One. The costs set forth in the table below are estimates based on projections; actual costs are expected to vary.

Infrastructure needed for Phase 2F was completed as part of a prior development phase, and is not included in the current cost estimates. As shown in the table, the sewer trunk main line extension to Phase 2G, the Phase 2G Infrastructure, and the Phase 2H Infrastructure have also been completed. This includes construction of the sewer trunk line across the creek in the area and construction of the street and improvement work needed to create the 450 finished lots that comprise Phases 2G and 2H of the development.

The development of Phase 2I, consisting of the next 272 finished lots, is currently underway (roughly 50% complete as of August 1, 2019). The Phase 2I improvements includes extension of a sewer trunk line through the land in Phase 3 of the development, as well as construction of segments of backbone collector streets. The cost for these Phase 2I infrastructure improvements is estimated by ATC Realty One to be about \$8.0 million, which ATC Realty One would advance and then seek reimbursement from the proceeds of the Bonds. The remainder of the Phase 2I improvement costs (consisting of in-tract improvements and grading) will be funded by Wells Fargo Bank through ATC Realty One, and no reimbursement would be sought from

Bond proceeds for this work. The Phase 2J lots were sold to Taylor Morrison Homes in super-pad condition.

Construction of certain backbone infrastructure required for development in the District has not yet commenced. For example, a mass grading plan for the Phase 3 area (Phase 3A and Phase 3B) has been prepared and is in plan check at the City. Improvement plans for the Hayden Parkway Bridge across Pleasant Grove Creek, and improvement plans for completing the remainder of Hayden Parkway (the backbone street that serves all of the property within the District) have been prepared and are in plan check at the City.

The following table summarizing the status of the backbone infrastructure being undertaken by ATC Realty One, including costs expended through August 1, 2019 and estimated costs remaining to be spent through build-out. For additional details, and a pro forma financing plan provided by ATC Realty One, see Table 6.

Table 2
Summary of Eligible Improvements and Estimated Total Cost
As of August 1, 2019⁽¹⁾

Description	Total Cost	Completed As of Aug. 1, 2019	Remaining to Complete	Status
Extension of Sewer Trunk Main to Phase 2G	\$1,535,000	\$1,535,000	--	Completed
Completion of Phase 2G Infrastructure	7,042,000	7,042,000	--	Completed
Phase 2G Dry Utilities	460,645	460,645	--	Completed
Phase 2H Infrastructure	5,035,000	5,035,000	--	Completed
Phase 2H Dry Utilities	329,359	329,359	--	Completed
Phase 2I Infrastructure	6,965,000	3,482,500	\$3,482,500	Under Construction
Phase 2I Dry Utilities	455,608	227,804	227,804	Under Construction
Phase 3A Infrastructure	23,932,000	--	23,932,000	In Design
Phase 3A Dry Utilities	1,565,485	--	1,565,485	In Design
Blue Oaks Blvd (Hayden Pkwy to West Boundary)	1,922,000	--	1,922,000	Under Construction
Blue Oaks Blvd Dry Utilities	125,725	--	125,725	Under Construction
Tree Mitigation & Open Space Fencing	3,561,000	500,000	3,061,000	Partially Completed
Phase 3B Infrastructure	768,000	--	768,000	Future
Phase 3B Dry Utilities	50,238	--	50,238	Future
Total	\$53,747,060	\$18,612,308	\$35,134,752	

(1) Infrastructure needed for Phase 2F was completed as part of a prior development phase, and is not included in the table.

Source: ATC Realty One.

Current Status of Development; Merchant Builders

ATC Realty One is not a merchant homebuilder. It has been selling lots to merchant homebuilders for construction of homes, and anticipates continuing to do so through build-out of the land in the District. The majority of the land in the District is currently owned by ATC Realty One, as well as four merchant home builders – Signature Homes, JMC Homes, Lennar Homes and Taylor Morrison Homes. The following table (Table 3) provides a summary of the current development status of taxable residential units in the District, by ownership, phase, and village.

Table 3
Development Status of Taxable Property by Ownership, Phase and Village
As of June 4, 2019

Builder/Owner	Phase	Village	Expected Land Use(s)	Expected Units	Expected Date of Final Map
Fiddymment 116 Lots/Signature Homes	2F	F-13B-1	LDR	75	Completed
		F-13B-2	LDR	<u>41</u>	Completed
				116	
JMC Homes	2G	F-8C	LDR	88	Completed
		F-8D	LDR	38	Completed
		F-9C	LDR	83	Completed
		F-9D	LDR	<u>40</u>	Completed
				249	
Lennar Homes	2H	F-7A	LDR	67	Completed
		F-7B	LDR	64	Completed
		F-9B	LDR	<u>70</u>	Completed
				201	
Taylor Morrison Homes	2J	F-13A-1	LDR	45	October 2019
		F-13A-2	LDR	48	October 2019
		F-13B-3	LDR	<u>45</u>	October 2019
				138	
ATC Realty One	2I	F-11A-1	LDR	47	October 2019
		F-11A-2	LDR	57	October 2019
		F-11A-3	LDR	71	October 2019
		F-12	LDR	<u>97</u>	October 2019
				272	
	3A	F-6A-1	LDR	92	TBD
		F-6A-2	LDR	87	TBD
		F-6C1	MDR	135	TBD
		F-6C2	MDR	172	TBD
		F-8B	MDR	127	TBD
		F-6B	HDR ⁽¹⁾	195	TBD
		F-8A	HDR ⁽¹⁾	277	TBD
		F-6D	CC	<u>n/a</u>	n/a
				1,085	
	3B	F-10A	LDR	122	TBD
		F-10B	LDR	115	TBD
		F-10C	LDR	80	TBD
		F-11B	MDR	<u>152</u>	TBD
				469	
TOTAL				2,530	

(1) Parcel F-6B is planned for 195 HDR (affordable) units. Parcel F-8A is planned for 223 HDR (market rate) and 54 HDR (affordable) units.
Source: ATC Realty One.

Fiddymment 116 Lots/Signature Homes (Phase 2F – 116 LDR Lots). In late 2016, ATC Realty One sold a portion of a large-lot parcel to Fiddymment 116 Lots, LLC, an affiliate of Signature Homes. The improvements for this portion, which consists of 116 residential lots, were subsequently completed and Signature Homes is currently building and selling homes in this phase, as shown in Table 4 below. For additional information on Fiddymment 116 Lots and Signature Homes, see “OWNERSHIP OF PROPERTY WITHIN THE DISTRICT – Fiddymment 116 Lots/Signature Homes.”

JMC Homes (Phase 2G – 249 LDR Lots). ATC Realty One completed improvements to create finished lots on the four large lot parcels that are within Phase 2G, and in June, 2018 sold the 249 finished lots to JMC Homes. JMC Homes is currently building and selling homes in this

phase, as shown in Table 4 below. For additional information on JMC Homes, see “OWNERSHIP OF PROPERTY WITHIN THE DISTRICT – JMC Homes.”

Lennar Homes (Phase 2H – 201 LDR Lots). ATC Realty One completed improvements on the three large lot parcels that are within Phase 2H, and in December, 2018 sold the 201 finished lots to Lennar Homes. Lennar Homes is currently building and selling homes in this phase, as shown in Table 4 below. For additional information on Lennar Homes and certain related entities, see “OWNERSHIP OF PROPERTY WITHIN THE DISTRICT – Lennar Homes.”

Taylor Morrison Homes (Phase 2J – 138 LDR Lots). ATC Realty One sold the three large lot parcels that are within Phase 2J in “super-pad” condition to Taylor Morrison Homes in June 2019; Taylor Morrison Homes is responsible for completing the in-tract improvements required to turn the super-pad lots into 138 finished lots. Taylor Morrison Homes anticipates obtaining final maps and the first building permits for its lots in Phase 2J in Fall 2019, with model homes opening in the first quarter of 2020 and the first sales closing to homeowners in the second quarter of 2020. The tentative marketing names for the villages are “Catalina at Fiddymment Farm” and “Monarch at Fiddymment Farm,” and home sizes and pricing are anticipated to be as indicated in Table 4 below. For additional information on Taylor Morrison Homes and certain related entities, see “OWNERSHIP OF PROPERTY WITHIN THE DISTRICT – Taylor Morrison Homes.”

ATC Realty One (Phase 2I – 272 LDR Lots). ATC Realty One is finalizing the in-tract improvements for the 272 finished lots comprising Phase 2I. The lots have been rough-graded, with construction of the street and utility improvements underway; improvements are currently 50% complete. ATC Realty One is currently marketing these lots to merchant builders. If purchase agreements are entered into for the sale of such lots, escrows related thereto would be expected to close as soon as the lot improvements are completed, which ATC Realty One currently anticipates occurring near the end of 2019.

ATC Realty One (Phase 3A – 1,085 Lots (179 LDR; 434 MDR; 472 HDR)). ATC Realty One anticipates working on improvements to Phase 3A following the sale of the 272 lots in Phase 2I to merchant builder(s). The LDR units are likely to be sold first, with the MDR and HDR units expected to be sold or otherwise conveyed at an undetermined date in the future, once all or substantially all of the LDR residential lots have been developed.

ATC Realty One (Phase 3B – 469 Lots (317 LDR; 152 MDR)). ATC Realty One anticipates working on improvements to Phase 3B following the sale of the 179 LDR lots in Phase 3A to merchant builder(s). The LDR units are likely to be sold first, with the MDR units expected to be sold or otherwise conveyed at an undetermined date in the future.

For additional information on ATC Realty One, see “OWNERSHIP OF PROPERTY WITHIN THE DISTRICT – ATC Realty One.”

Home Construction, Sales Activity and Pricing. Details regarding home construction, sales activity and pricing for the various neighborhoods currently under development by merchant builders in the District is set forth in the following table (Table 4).

Table 4
Home Construction, Sales Activity and Pricing
Phases 2F, 2G, 2H, and 2J
As of July 1, 2019

Merchant Builder/ Product Line	Floor Plans	Approx. Sq. Footage	Estimated Base Prices ⁽¹⁾	Planned Units	Homes Started	Pending Sales	Closed Escrows
Fiddymment 116							
Lots/Signature Homes							
Woodbridge	4	1,994 – 3,186	\$512,400 - \$581,900	116	23	7	39
JMC Homes							
Northwood	3	1,455	\$349,990	42	33	26	13
Summerwood	4	1,486 - 2,186	\$469,990 and above	46	30	23	14
Wildwood	5	2,039 - 3,092	\$536,990 - \$626,990	84	42	37	23
Valleybrook	5	2,855 - 4,001	\$639,990 - \$799,990	77	43	40	18
				249	148	126	68
Lennar Homes							
Corvara	4	2,110 - 2,786	\$508,990 - \$544,990	134	35	21	5
Monterosa	4	1,945 - 3,312	\$494,990 - \$619,990	67	35	18	7
				201	70	39	12
Taylor Morrison Homes							
Village F-13B3	3	2,119 - 2,765	\$491,000 - \$529,000	45	--	--	--
Village F-13A-1, F-13A-2	3	2,018 - 2,535	\$462,000 - \$498,000	93	--	--	--
				138	--	--	--
Totals				704	241	172	119

(1) Reflects estimated base home prices, which are subject to change at any time.

Sources: Fiddymment 116 Lots for information regarding Fiddymment 116 Lots/Signature Homes; JMC Homes for information regarding JMC Homes; Lennar Homes for information regarding Lennar Homes; and Taylor Morrison Homes for information regarding Taylor Morrison Homes.

OWNERSHIP OF PROPERTY WITHIN THE DISTRICT

Unpaid Special Taxes do not constitute a personal indebtedness of the owners of the parcels within the District. There is no assurance that the present property owners or any subsequent owners will have the ability to pay the Special Taxes or that, even if they have the ability, they will choose to pay the Special Taxes. An owner may elect to not pay the Special Taxes when due and cannot be legally compelled to do so. Neither the City nor any Bondowner will have the ability at any time to seek payment directly from the owners of property within the District of the Special Tax or the principal or interest on the Bonds, or the ability to control who becomes a subsequent owner of any property within the District.

ATC Realty One has provided the information set forth in this section entitled "OWNERSHIP OF PROPERTY WITHIN THE DISTRICT." No assurance can be given that all information is complete. In addition, any Internet addresses included below are for reference only, and the information on those Internet sites is not a part of this Official Statement or incorporated by reference into this Official Statement. Certain other information contained below has been obtained from the Appraisal. For more detailed information on the ownership of property in the District, see the Appraisal attached hereto as APPENDIX B.

No assurance can be given that development of the property will be completed, or that it will be completed in a timely manner. The Bonds are secured only by the Special Taxes and moneys available under the Fiscal Agent Agreement. See "SECURITY FOR THE 2019 BONDS" and "SPECIAL RISK FACTORS" herein.

Top Owners in the District

The following table sets forth the top owners of property in the District, based on the hypothetical Fiscal Year 2019-20 Special Tax Levy (i.e., assuming no capitalized interest is funded and Special Taxes were levied to satisfy 100% of the Special Tax Requirement).

Table 5
Top Owners in the District
Based on Hypothetical Fiscal Year 2019-20 Special Tax Levy

Ownership⁽¹⁾	Number of Parcels	Expected Residential Units ⁽²⁾	Composite Value ⁽³⁾	Estimated FY 2019-20 Max Tax Revenues at Build Out ⁽⁹⁾	Hypothetical FY 2019-20 Special Tax Levy ⁽⁴⁾	Allocable Debt CFD Bonds ⁽⁵⁾⁽⁶⁾	% Total CFD Bonded Debt ⁽⁶⁾	Average Value to Lien Ratio ⁽⁶⁾⁽⁷⁾
Individual Homeowners	103	103	\$56,244,000	\$188,285	\$188,285	\$3,762,494	9.3%	14.95
Merchant Builders:								
Fiddymment 116 Lots LLC ⁽⁸⁾	79	79	\$14,224,700	\$144,413	\$144,413	\$2,885,796	7.2	4.93
John Mourier Construction Inc	190	190	40,177,000	347,322	347,322	6,940,523	17.1	5.79
Lennar Homes of California LLC	194	194	36,344,000	354,634	354,634	7,086,639	17.5	5.13
Taylor Morrison of California LLC	3	138	11,592,000	252,267	83,190	1,662,391	4.1	6.97
Subtotal	466	601	\$102,337,700	\$1,098,636	\$929,559	\$18,575,349	45.9	5.51
ATC Realty One LLC	7	1,826	\$67,000,000	\$2,506,278	\$907,631	\$18,137,157	44.8	3.69
Total	576	2,530	\$225,581,700	\$3,793,199	\$2,025,475	\$40,475,000	100.0%	5.57

(1) Ownership information is based upon County records and the Appraiser's inspection and inventory as of June 4, 2019; additional home sales are ongoing.

(2) The number of planned residential units that are subject to the Special Tax.

(3) Composite Value represents assessed value for the 4 completed homes on the Fiscal Year 2018-19 County property tax roll, and the appraised value, as of June 4, 2019, for all other parcels. Bulk values of single-family residential property have been allocated by LDR and MDR lot.

(4) The Hypothetical FY 2019-20 Special Tax Levy assumes that the debt service on the 2019 Bonds due through September 1, 2020 would be funded by the FY 2019-20 Special Tax Levy, rather than capitalized interest from the proceeds of the 2019 Bonds as described in this Official Statement.

(5) Includes \$23,845,000 in outstanding principal of the 2017 Bonds together with the \$16,630,000 par amount of the 2019 Bonds.

(6) This table allocates the CFD Debt using the District's Hypothetical FY 2019-20 Special Tax Levy of \$2,025,475. Since the amount of the District's Hypothetical FY 2019-20 Special Tax Levy results in the District's Taxable Undeveloped Property to be levied at approximately 34% of the Maximum Special Tax (while the District's Taxable Developed Property is to be levied at 100% of its respective Maximum Special Tax), less CFD Bonded Debt is allocated to the undeveloped portion of the District in comparison to the developed portion of the District. This debt allocation causes the Value-to-Lien Ratios of the District's Undeveloped Property in this table to be higher than if CFD Debt was instead allocated based upon each parcel's Maximum Special Tax.

(7) Debt does not include the overlapping general obligation bond debt summarized under "Direct and Overlapping Tax and Assessment Debt".

(8) The 4 completed homes valued by the County Assessor in Fiscal Year 2018-19 are owned by Fiddymment 116 Lots LLC.

(9) Represents the estimated Maximum Special Tax if the entire District was fully developed as of the FY 2019-20 Special Tax levy.

Sources: Number of Expected Residential Units - Master Developer; Appraised Values, Bulk Value Allocations, Development Status Categories and Ownership of Appraised Property - Integra Realty Resources, Inc., as compiled by Willdan Financial Services; Assessed Values and Ownership of all Other Property - 2018-19 Secured Property Roll, Placer County, as compiled by Willdan Financial Services; Maximum Special Tax - Willdan Financial Services.

ATC Realty One

General. All of the land within the District not yet sold to merchant builders or individual homeowners is owned by ATC Realty One, LLC, a Delaware limited liability company (previously defined as “**ATC Realty One**”). ATC Realty One is solely owned by Wells Fargo Bank, National Association (“**Wells Fargo Bank**”), which acquired the property in 2012 as a result of foreclosure proceedings brought by Wells Fargo Bank against the original master developer of the Fiddymment Ranch development.

Following the foreclosure proceedings in 2012, Wells Fargo Bank retained an affiliate of Signature Homes (which had been the managing member of the original master developer) to help manage the property. Since acquiring the property in 2012 through ATC Realty One, Wells Fargo Bank has invested approximately \$36.7 million of equity in development costs and has recouped most of that money through land sales to third parties. As a matter of policy, Wells Fargo Bank has maintained current the tax obligations associated with the property in the District owned by ATC Realty One and has not allowed any liens to be created against such property other than the lien of the Special Taxes. As of the date of this Official Statement, all the property in the District owned by Wells Fargo Bank through ATC Realty One is debt free (although secured by the lien for the payment of the Special Taxes securing the Bonds and the lien securing payment of the other special taxes levied on property in the District).

The Manager. ATC Realty One has retained Olympia Investments, Inc. to manage the development of its property in the District. Olympia Investments, Inc. is owned by James Ghielmetti, founder of Signature Homes, Inc. (“**Signature Homes**”), a homebuilding and land development company, with experience building homes and master planned communities, office buildings, retail centers, restaurants, recreational complexes and clubhouses with comprehensive country club amenities.

ATC Realty One Financing Plan. ATC Realty One expects that development of the backbone infrastructure improvements in the District will primarily be funded from Bond proceeds, proceeds from the sale of lots to merchant builders, and one or more equity contributions to ATC Realty One by Wells Fargo Bank. Land in the District owned by ATC Realty One is not currently encumbered by any mortgages or deeds of trust.

As shown in the following table (Table 6), the next phase of development of land in the District (Phase 2I, a total of 272 LDR lots) is expected to be funded by ATC Realty One through a combination of equity contributions by Wells Fargo Bank to ATC Realty One and \$2019 Bond proceeds, which together are expected to provide the funds needed to create the next 272 lots that could be taken to market for sale by ATC Realty One to merchant builders. To the extent Bond proceeds are not available or not dispersed to ATC Realty One in the timeframe required for development, additional equity may need to be contributed by ATC Realty One for this phase. ATC Realty One anticipates that the remainder of the project would be built out utilizing the revenues from the lot sales in the previous phases and proceeds available from one or more futures series of Bonds, as shown in the following table (Table 6).

A pro forma showing the anticipated sources and uses of funds by ATC Realty One is set forth on the following pages. The pro forma does not include Phase 2F, because the backbone improvements were completed as part of prior phase of development and the lots were sold in super-pad condition to Fiddymment 116 Lots, LLC, which was responsible for in-tract improvements. Similarly, the lots in Phase 2J were sold to Taylor Morrison Homes in super-pad condition and Taylor Morrison Homes is responsible for in-tract improvements. *No assurance*

can be given that any of the projected revenues, costs, or other amounts upon which ATC Realty One has based its development assumptions will be achieved. Due to the numerous known and unknown risks and uncertainties inherent in the development of real property, actual results are likely to be different from the pro forma results shown in Table 6 and elsewhere in this Official Statement. Actual cash flow will depend on future events, including the rate of land sales, the actual costs of infrastructure development and whether Wells Fargo Bank, in its capacity as the sole member of ATC Realty One, advances any funds for development. To the extent ATC Realty One needs cash to fund its operations, it is expected that Wells Fargo Bank, as the sole member of ATC Realty One, will advance amounts for that purpose. However, Wells Fargo Bank has no legal obligation to fund any internal loans, make any cash or other contributions, or arrange any third-party financing to or for, ATC Realty One.

Table 6
ATC Realty One – Pro Forma Financing Plan – Sources and Uses⁽¹⁾

	Total	As of Aug. 1, 2019	Remainder of 2019	2020	2021	2022	2023
SOURCES							
Land Sales⁽²⁾	\$194,884,157	\$65,617,950	\$30,215,120	\$19,884,215	\$35,213,945	\$27,308,582	\$16,644,345
CFD No. 5 Bond Proceeds:							
2017 Bonds	6,000,000	6,000,000	--	--	--	--	--
2019 Bonds	16,999,999	--	10,317,914	6,682,085	--	--	--
Projected Future Bonds sale(s)	18,337,474	--	--	6,275,874	10,817,200	1,244,400	--
Construction Funding:							
Owner Equity	86,561,843	30,294,704	6,460,249	12,189,490	18,554,300	14,199,100	4,864,000
TOTAL SOURCES:	\$322,783,473	\$101,912,654	\$46,993,283	\$45,031,664	\$64,585,445	\$42,752,082	\$21,508,345
USES							
Infrastructure:							
Infrastructure Completed as of August 1, 2019	14,402,004	14,402,004	--	--	--	--	--
Phase 2I Infrastructure	7,420,608	3,482,500	3,938,108	--	--	--	--
Phase 3A Infrastructure	25,497,486	--	200,000	13,331,486	11,966,000	--	--
Blue Oaks Blvd (Hayden Pkwy to West Boundary)	2,047,725	--	--	2,047,725	--	--	--
Tree Mitigation and Open Space Fencing	3,561,000	450,000	--	--	1,555,500	1,555,500	--
Phase 3B Infrastructure	818,238	--	--	818,238	--	--	--
In-Tract Improvements:							
Phase 2G LDR (F-8C,8D,9C,9D)	10,364,000	10,364,000	--	--	--	--	--
Phase 2H LDR (F-7A, 7B, 9B)	8,971,000	8,971,000	--	--	--	--	--
Phase 2I LDR (F-11A & 12)	11,265,256	5,632,628	5,632,628	--	--	--	--
Phase 3A LDR (F-6A)	8,950,000	--	--	8,950,000	--	--	--
Phase 3A MDR (F-6C & 8B)	13,888,000	--	--	--	--	13,888,000	--
Phase 3B LDR (F-10A, 10B, 10C)	15,850,000	--	--	--	15,850,000	--	--
Phase 3B MDR (F-11B)	4,864,000	--	--	--	--	--	4,864,000
Taxes, Assessments & Soft Costs:							
Property Taxes	662,879	--	209,033	369,910	--	83,936	--
CFD No. 5 Special Taxes	4,440,808	--	1,013,998	1,717,795	1,166,618	542,397	--
CFD No. 2 Special Taxes (Services)	1,092,201	--	270,798	451,997	293,322	76,084	--
Soft Costs (10% of Construction Cost)	7,564,719	--	977,074	1,619,745	2,937,150	1,544,350	486,400
TOTAL USES:	\$141,659,924	\$43,302,132	\$12,241,637	\$29,306,896	\$33,768,591	\$17,690,267	\$5,350,400
NET CASH FLOW	\$181,123,549	58,610,522	34,751,644	15,724,768	30,816,855	25,061,815	16,157,945
CUMULATIVE NET CASH FLOW	--	\$58,610,522	\$93,362,166	\$109,086,934	\$139,903,789	\$164,965,604	\$181,123,549

(1) Does not include Phase 2F, because the backbone improvements were completed as part of prior phase of development and the lots were sold in super-pad condition to Fiddymment 116 Lots, LLC, which was responsible for in-tract improvements.

(2) The planned 1,356 LDR lots, other than the 138 LDR lots sold to Taylor Morrison Homes in Phase 2J in super-pad condition, and the planned 586 MDR lots are assumed to be sold in finished lot condition. The planned 472 HDR units and 4.84 acres of commercial uses are assumed to be sold as zoned pads.

Source: ATC Realty One.

Fiddymment 116 Lots/Signature Homes

Fiddymment 116 Lots, LLC, an affiliate of Signature Homes, acquired the 116 lots comprising Villages F-13B1 and F-123B2 from ATC Realty One, and is currently marketing single-family residential homes under the “Woodbridge” project name. Signature Homes expects the development to be closed out by August, 2020. For additional information on home sales and base model pricing, see Table 4, above.

Currently, Fiddymment 116 Lots, LLC has an A&D (Acquisition and Development) loan outstanding from U.S. Bank National Association, through its Housing Capital Company unit, in the amount of \$3.4 million. Fiddymment 116 Lots, LLC has two additional outstanding loans from U.S. Bank National Association, through its Housing Capital Company unit, that are used to build the production units for their Woodbridge community, consisting of a model home loan for \$1.5 million and a revolver loan for \$3.5 million, and expects to repay the loans with the proceeds of sales of homes. Until repaid, the loans will result in an additional lien (subordinate to the lien of the Special Taxes) on the parcels securing repayment thereof. Fiddymment 116 Lots, LLC believes this financing, together with funds generated from home sales, is sufficient to complete its development in the District and no additional loans will be required.

Fiddymment 116 Lots, LLC is an affiliate of Signature Homes established for the purpose of improving 116 LDR lots in the District. Signature Homes is a privately held California corporation headquartered in Pleasanton, California. It is owned by the Ghielmetti family, and four individuals who are actively involved in the day-to-day operation of Signature Homes: Gary Galindo (President), Steve Miller (Vice-President in charge of forward planning), John Ford (CFO) and Dave Taylor (Vice-President in charge of construction). Collectively, the owners have over 100 years of experience in the homebuilding industry. Founded in 1983 by James Ghielmetti, the company’s primary business is homebuilding and land development, initially in the San Francisco Bay Area. Locally, the company established an office in 1995 and has built communities in the cities of Sacramento, Davis, Lincoln, Rocklin and Roseville, California. Signature Properties is presently building in Sacramento, Rocklin, Lincoln, and Roseville. The company is also involved in redevelopment and revitalization projects in older cities and neighborhoods, office construction and retail center development. Although Signature Homes and Signature Properties are best known for building homes and master planned communities, the companies have developed such diverse properties as office buildings, retail centers, restaurants, recreational complexes and clubhouses with comprehensive country club amenities.

Signature Homes’ website address is www.sighomes.com. The website address is given for reference and convenience only. The information on the website may be incomplete or inaccurate and has not been reviewed by the City or the Underwriter. Nothing on the website is a part of this Official Statement or incorporated into this Official Statement by reference.

JMC Homes

John Mourier Construction Inc (“**JMC Homes**”) is building and selling homes in Phase 2G of the District. JMC Homes purchased the 249 LDR lots in the four villages comprising Phase 2G in finished lot condition. It is marketing the homes in this phase as part of its “Northwood,” “Summerwood,” “Wildwood” and “Valleybrook” neighborhoods. For additional details, see Table 4, above.

JMC Homes intends to finance the construction and sale of the 249 homes planned for Phase 2G using internal sources (equity and home sales proceeds). Although JMC Homes

expects to have sufficient funds available to complete its development in the District, there can be no assurance that amounts necessary to finance the remaining costs will be available when needed. Neither JMC Homes, nor any of its related entities are under any legal obligation of any kind to expend funds for the construction of homes on its property in the District. Any equity contributions by JMC Homes or an affiliate to fund the costs of such development are entirely voluntary. If and to the extent that internal funding, including but not limited to home sales revenues, are inadequate to pay the costs to complete the planned development by JMC Homes within the District and other financing by JMC Homes is not put into place, there could be a shortfall in the funds required to complete the planned development by JMC Homes in the District.

JMC Homes has been doing business in the greater Sacramento area as a homebuilder since 1978. It has averaged annual new homes sales volume in excess of \$110 million for the past five years and is currently ranked as the 100th largest homebuilder by *Professional Builder* magazine. It is currently building and selling homes in Roseville, Rocklin, Lincoln and Marysville in the Sacramento area.

JMC Homes' website address is www.jmchomes.com. The website address is given for reference and convenience only. The information on the website may be incomplete or inaccurate and has not been reviewed by the City or the Underwriter. Nothing on the website is a part of this Official Statement or incorporated into this Official Statement by reference.

Lennar Homes

Lennar Homes of California LLC ("**Lennar Homes**") is building and selling homes in Phase 2H of the District. Lennar Homes purchased the 201 LDR lots in the three villages comprising Phase 2H in finished lot condition. It is marketing the homes in this phase as part of its "Corvara" (Villages 7A and 7B) and "Monterosa" (Village 9B) neighborhoods. For additional details, see Table 4, above.

Lennar Homes intends to finance the construction and sale of the 201 homes planned for Phase 2H using internal sources (equity and home sales proceeds). Although Lennar Homes expects to have sufficient funds available to complete its development in the District, there can be no assurance that amounts necessary to finance the remaining costs will be available when needed. Neither Lennar Homes, nor any of its related entities are under any legal obligation of any kind to expend funds for the construction of homes on its property in the District. Any equity contributions by Lennar Homes or an affiliate to fund the costs of such development are entirely voluntary. If and to the extent that internal funding, including but not limited to home sales revenues, are inadequate to pay the costs to complete the planned development by Lennar Homes within the District and other financing by Lennar Homes is not put into place, there could be a shortfall in the funds required to complete the planned development by Lennar Homes in the District.

Lennar Homes is a wholly-owned subsidiary of Lennar Corporation, a Delaware corporation ("**Lennar Corporation**"), with headquarters in Miami, Florida. Lennar Corporation is a diversified real estate company, publicly traded on the New York Stock Exchange under the symbol LEN and presided over by Chief Executive Officer Stuart Miller. Lennar Corporation started as a Dade County, Florida homebuilder in 1954. The year 2019 marked the 22nd year that Lennar Corporation has operated in the Sacramento area. In February 2018, Lennar Corporation completed its merger with homebuilder CalAtlantic, creating the largest homebuilder in the United States based on revenues.

Lennar Corporation is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith files reports, proxy statements and other information with the SEC. Such filings, particularly the Annual Report on Form 10-K and its most recent Quarterly Report on Form 10-Q, may be inspected and copied at the public reference facilities maintained by the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. Such files can also be accessed over the Internet at the SEC's website at www.sec.gov. Copies of such material can be obtained from the public reference section of the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. In addition, the aforementioned material may also be inspected at the office of the NYSE at 20 Broad Street, New York, New York 10005. Additionally, Lennar Corporation provides investor relations information on its website.

Recent Litigation Against Lennar Corporation. A lawsuit was filed in the state court of California against Lennar Corporation relating to Lennar Corporation and LandSource Communities Development, LLC, a Delaware limited liability company ("**LandSource**"), in which the California Public Employees' Retirement System ("**CalPers**") invested in 2007 ("**Complaint**"). LandSource filed for bankruptcy on June 8, 2008 ("**LandSource Bankruptcy Matter**"), and a plan for reorganization was approved by the bankruptcy court on July 20, 2009. (In re: LandSource Communities Development LLC, et al, Case No. 08-11111, United States Bankruptcy Court, District of Delaware.) The Complaint, which was filed as a qui tam action by a newly created limited liability company, makes a number of claims related to Lennar Corporation's actions regarding LandSource and the related bankruptcy and seeks injunctive relief and damages (including statutory and treble) relating to CalPers' alleged \$970 million loss. Lennar Corporation filed and was granted a petition to remove the Complaint to federal court (Citizens Against Corporate Crime ("**CACC**") v. Lennar Corporation (9th Circuit, California Eastern District Court, Case No. 2:2018cv01269). Lennar Corporation also filed a Motion to Reopen the Chapter 11 Bankruptcy Cases for the Limited Purpose of Enforcing the Injunction and Release in the Debtors' Joint Chapter 11 Plan and Confirmation Order. Lennar Corporation contended that in addition to the Complaint being barred by the release and injunction in the LandSource Bankruptcy Matter, the Complaint was meritless and barred by applicable statutes of limitation and other defenses. On July 17, 2018, the Bankruptcy Court granted that motion, allowing Lennar Corporation to proceed with filing its proposed enforcement motion. After a hearing on October 25, 2018, the Bankruptcy Court granted the enforcement motion and found that CACC and its member Nicolas Marsch III ("**Marsch**") filed the Complaint in violation of the injunction and release in the Chapter 11 Plan and Confirmation Order and barred CACC, Marsch and their agents from prosecuting the Complaint. Further, the Bankruptcy Court enjoined CACC, Marsch and their agents from continuing to pursue released and enjoined claims and causes of action against Lennar in further violation of the Chapter 11 Plan and Confirmation Order. CACC filed a Notice of Appeal and Statement of Election; CACC also filed a Request for Consent to Dismiss the Complaint, and the federal district court dismissed the Complaint by minute order issued November 16, 2018. Lennar Homes was not a party to the Complaint. Lennar Homes believes that even if, in the unlikely event, the appeal and the underlying claims are successful against Lennar Corporation, Lennar Homes will be able to complete the development and sale of its property within the District as described in this Official Statement and pay Special Taxes and ad valorem tax obligations on its property within the District prior to delinquency during Lennar Homes' period of ownership.

Lennar Corporation's website address is www.lennar.com. The website address is given for reference and convenience only. The information on the website may be incomplete or inaccurate and has not been reviewed by the City or the Underwriter. Nothing on the website is a part of this Official Statement or incorporated into this Official Statement by reference.

Taylor Morrison Homes

Taylor Morrison of California LLC, a California limited liability company ("**Taylor Morrison Homes**"), purchased the 138 LDR lots that comprise Phase 2J. The lots were purchased in "super-pad" condition and Taylor Morrison Homes is responsible for completing in-tract improvements necessary for the lots to be in finished condition and suitable for securing final map approvals and undertaking homebuilding activities. Taylor Morrison Homes anticipates building homes in two neighborhoods within Phase 2J, with one neighborhood covering Village F-13B3 (45 lots) and the other neighborhood covering Villages F-13A1 and F-13A2 (93 lots). For additional details, see Table 4, above.

Site development costs are estimated at \$76,000 per lot, permits and fees average \$70,962 per lot, and special assessments are \$1,792 per lot. Slightly higher site development costs are anticipated because there is a large storm drain that runs through the middle of the project that serves upstream property. Thus, Taylor Morrison Homes must construct landscaping/retaining walls/bike trail/fences along the boundary, as well as backup landscaping/sidewalk/soundwalls along the north boundary of Hayden Parkway.

Taylor Morrison Homes intends to finance the development of the land and the construction and sale of the 138 homes planned for Phase 2J using internal sources (equity and home sales proceeds). Although Taylor Morrison Homes expects to have sufficient funds available to complete its development in the District, there can be no assurance that amounts necessary to finance the remaining development costs will be available when needed. Neither Taylor Morrison Homes, nor any of its related entities are under any legal obligation of any kind to expend funds for the development of and construction of homes on its property in the District. Any equity contributions by Taylor Morrison Homes or an affiliate to fund the costs of such development are entirely voluntary. If and to the extent that internal funding, including but not limited to home sales revenues, are inadequate to pay the costs to complete the planned development by Taylor Morrison Homes within the District and other financing by Taylor Morrison Homes is not put into place, there could be a shortfall in the funds required to complete the planned development by Taylor Morrison Homes in the District.

Taylor Morrison Homes is a subsidiary of Taylor Morrison Home Corporation, a Delaware corporation ("**Taylor Morrison**"). Taylor Morrison's common stock is publicly traded on the NYSE under the symbol "TMHC." Taylor Morrison is one of the largest public homebuilders in the United States, as well as a real estate developer, with a portfolio of lifestyle and master-planned communities. It operates under both the Taylor Morrison and Darling Homes brand names.

Taylor Morrison's website address is www.taylormorrison.com. The website address is given for reference and convenience only. The information on the website may be incomplete or inaccurate and has not been reviewed by the City or the Underwriter. Nothing on the website is a part of this Official Statement or incorporated into this Official Statement by reference.

VALUE OF PROPERTY WITHIN THE DISTRICT AND SPECIAL TAX BURDEN

The Appraisal

General. At the request of the City, Integra Realty Resources, Sacramento, California (the “**Appraiser**”) prepared an Appraisal Report dated July 12, 2019, with a date of value of June 4, 2019, and an Update Appraisal Report, dated September 4, 2019 (together, the “**Appraisal**”). The Appraisal is set forth in its entirety in APPENDIX B hereto. The description herein of the Appraisal is intended for limited purposes only; the Appraisal should be read in its entirety. The conclusions reached in the Appraisal are subject to certain assumptions and qualifications which are set forth in the Appraisal.

Property Appraised. The appraised properties consist of 301 finished residential lots, 124 homes under construction, one commercial parcel and two multifamily (high density residential) parcels. There are also 137 completed single-family homes within the boundaries of the District not assessed for an improvement value by the Placer County Assessor in Fiscal Year 2018-19; as such, a not less-than estimate of market value for the smallest floor plan constructed within each subdivision was appraised and assigned to each respective Assessor’s parcel within the District. While the County property tax roll provided by the Placer County Assessor’s Office for Fiscal Year 2018-19 show that 130 of the 137 homes were owned by merchant builders, based upon the Appraiser’s site inspection and sales activity in the area, the Appraisal notes that it is highly likely that most of these homes are in fact owned by individual homeowners.

The Appraiser provided a market value of the appraised properties by ownership and Assessor’s parcel, as well as a cumulative, or aggregate, value of the properties, as of the date of value. The market value of the appraised properties, by ownership, as well as the cumulative, or aggregate, value of the appraised properties in the District and account for the impact of the lien of the Special Tax securing the 2017 Bonds and the 2019 Bonds.

Value Estimate. The value estimate for the appraised property as of the June 4, 2019 date of value, using the methodologies described in the Appraisal and subject to the hypothetical condition and assumptions and limiting conditions set forth in the Appraisal, and based on the ownership of the property as of that date is \$224,092,000. The valuation accounts for the impact of the lien of the Special Tax and represents the hypothetical market value of all the land in the District that was appraised. In addition, the Appraiser noted the aggregate retail value of four existing homes in the District, not appraised, had a combined assessed value in Fiscal Year 2018-19 of \$1,489,700. Accordingly, the Composite Value is \$225,581,700. The appraised values as of June 4, 2019 were confirmed to be not less than such amount as of September 4, 2019, as indicated in the Update Appraisal Report.

The Appraiser’s estimate of value above represents a “not-less-than” value due to the fact the Appraiser was requested to provide a market value of the smallest floor plan (by project) on each single-family residential lot improved without a completed home without a complete assessed improvement value (minimum \$200,000) assigned.

Appraisal Methodology. The Appraiser began the valuation by employing the sales comparison approach and extraction technique to estimate the market value of a benchmark lot category of the low-density residential lots. In the sales comparison approach, adjustments were applied to the prices of comparable bulk lot transactions, and a market value for this benchmark lot category was concluded. Then, as a support of reasonableness, the Appraiser utilized an extraction analysis, which was reconciled with the sales comparison approach conclusion. For

the property's medium density lots, the Appraiser used the extraction technique as the sole basis of valuation. Next, adjustments were applied to determine values for each residential larger parcel, based upon lot sizes differences that exist from the benchmark larger parcels.

The sales comparison approach was also utilized by the Appraiser to determine the value of the District's commercial site. Additionally, the Appraiser utilized the sales comparison approach, as well as an extraction technique, to estimate the value of Parcel F-8A, which has a combination of market rate and income-restricted units. In the extraction method, the Appraiser first estimated the market value of an apartment complex at completion of construction and stabilized occupancy, via an income capitalization approach. Within this approach, the Appraiser applied a typical market rent for the Roseville area for the market rate units, and the City-mandated income-restricted rents for the affordable units. Estimates of vacancy/collection loss, operating expense ratios and overall capitalization rates were also inputted utilizing typical market parameters. Next, the Appraiser subtracted from this stabilized value all estimated direct costs required to construct the project (via estimated from the Residential Cost Handbook published by Marshall and Swift), as well as indirect costs (including lease-up costs) to arrive at an underlying land value. The values derived via each approach were reconciled into a final opinion of value for this parcel.

With regard to the multifamily land component with income restrictions and no market-rate units (Parcel F-6B), the Appraiser solely utilized an extraction technique. According to the Appraiser, this income-restricted multifamily parcel has no value.

The final step in the Appraiser's analysis involved a subdivision development method (a type of discounted cash flow analysis) to determine the bulk market value of the fee simple interest in the property held by the primary owner of land in the District, which takes into consideration the revenue and expenses (including the completion of backbone infrastructure) associated with selling off the individual larger parcels over an estimated absorption period (also incorporating an appropriate discount rate to the cash flows).

For additional details, see APPENDIX B.

Hypothetical Condition. The market value estimated by the Appraiser is based on a hypothetical condition. A hypothetical condition is defined by USPAP as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of the analysis." It is a hypothetical condition of the Appraisal that certain of the proceeds from the 2019 Bonds will be used to fund additional infrastructure improvements and that these infrastructure improvements were in place as of the date of value. The estimate of market value accounts for the impact of the lien of the Special Taxes securing the Bonds. See APPENDIX B and "FINANCING PLAN" for additional details.

Extraordinary Assumptions and Limiting Conditions. In addition to the hypothetical condition described above, the Appraisal is based upon a number of standard and special assumptions and conditions, all of which affect the estimate as to value, some of which include the following. See "APPENDIX B – The Appraisal" for a complete list of such assumptions and conditions.

The Appraiser presumed there are no adverse soil conditions, toxic substances or other environmental hazards that may interfere or inhibit development of the property. If, at some future

date, items are discovered that are determined to have a detrimental impact on value, the Appraiser reserves the right to amend the opinion of value stated in the Appraisal.

Limitations of Appraisal Valuation. Property values may not be evenly distributed throughout the District; thus, certain parcels may have a greater value than others. This disparity is significant because in the event of nonpayment of the Special Tax, the only remedy is to foreclose against the delinquent parcel.

No assurance can be given that the estimate of market value set forth in the Appraisal can or will be maintained during the period of time that the 2019 Bonds are outstanding in that the City has no control over the market value of the property within the District or the amount of additional indebtedness that may be issued in the future by other public agencies, the payment of which, through the levy of a tax or an assessment, may be on a parity with the Special Taxes. See “– Overlapping Liens and Priority of Lien” below.

For a description of certain risks that might affect the assumptions made in the Appraisal, see “SPECIAL RISK FACTORS” herein.

Value to Special Tax Burden Ratios

The Composite Value of land in the District is \$225,581,700. The principal amount of the 2019 Bonds and 2017 Bonds is \$40,475,000. Consequently, the Composite Value of the land in the District is approximately 5.57 times the principal amount of the 2019 Bonds and 2017 Bonds (not including overlapping debt), as shown in Table 5. Taking into account overlapping debt (consisting of general obligation bonded indebtedness) as described herein, the appraised value-to-lien ratio for property in the District is approximately 5.42 to 1, as shown in the table below. Value-to-lien ratios on individual parcels may vary considerably from this average. For example, given the affordable housing restrictions on Parcel F-6B, which is owned by ATC Realty One, the Appraiser provided an estimate of market value of \$0 for this parcel. Despite this estimate of value, this parcel is subject to the Special Tax securing the Bonds and is included within ATC Realty One’s ownership shown below.

Table 7
Fiddymment Ranch Community Facilities District No. 5 (Public Facilities)
Projected 2019-20 Special Tax Levy, Allocable Fiddymment Ranch CFD No. 5 Debt and Value-to-Lien Ratios by Owner

Development Status ⁽¹⁾⁽²⁾	Number of Parcels	Expected Residential Units ⁽³⁾	Composite Value ⁽⁴⁾	Estimated FY 2019-20 Maximum Tax Revenues at Build Out ⁽¹²⁾	Hypothetical FY 2019-20 Special Tax Levy ⁽⁵⁾	Allocable Debt CFD Bonds ⁽⁷⁾	% Total CFD Bonded Debt ⁽⁶⁾⁽⁷⁾	Overlapping Debt ⁽⁸⁾	Total Direct & Overlapping Debt	Average Value to Lien Ratio ⁽⁶⁾
DEVELOPED PROPERTY										
Completed Homes										
Individual Homeowners ⁽⁹⁾	103	103	\$56,244,000	\$188,285	\$188,285	\$3,762,493	9.2%	\$88,895	\$3,851,388	14.60
Merchant Builders ⁽⁹⁾	38	38	19,320,700	69,465	69,465	1,388,105	3.4%	63,793	1,451,898	13.31
Homes Under Construction	124	124	20,700,000	226,673	226,673	4,529,604	11.2%	72,198	4,601,802	4.50
Finished Lots	301	301	50,725,000	550,231	550,231	10,995,249	27.2%	158,009	11,153,258	4.55
Subtotal	566	566	\$146,989,700	\$1,034,654	\$1,034,654	\$20,675,451	51.0%	\$382,895	\$21,058,346	6.98
UNDEVELOPED PROPERTY										
Single Family Residential										
Phase 2J (Taylor Morrison)	3	138	\$11,592,000	\$252,267	\$83,190	\$1,662,391	4.1%	\$39,879	\$1,702,270	6.81
Phases 2I, 3A & 3B (ATC Realty One)	7	1,354	63,111,493	2,227,929	809,444	16,175,084	40.0%	579,444	16,754,528	3.77
Multi-Family ⁽¹⁰⁾⁽¹³⁾	N/A	472	3,223,368	244,320	86,183	1,722,191	4.3%	96,054	1,818,245	1.77
Non-Residential ⁽¹¹⁾⁽¹³⁾	N/A	0	665,139	34,029	12,004	239,883	0.6%	14,574	254,457	2.61
Subtotal	10	1,964	\$78,592,000	\$2,758,545	\$990,821	\$19,799,549	49.0%	\$729,951	\$20,529,500	3.83
Total	576	2,530	\$225,581,700	\$3,793,199	\$2,025,475	\$40,475,000	100.0%	\$1,112,846	\$41,587,846	5.42

(1) Development Status as of the June 4, 2019 valuation date of the Appraisal.

(2) Ownership of parcels subject to the Appraisal are based upon the Appraiser's inspection and inventory as of June 4, 2019; ownership of the four District parcels not appraised are based upon the County records in Fiscal Year 2018-19.

(3) The number of planned residential units that are subject to the District Special Tax.

(4) Composite Value represents assessed value for the 4 completed homes on the Fiscal Year 2018-19 County property tax roll, and the appraised value, as of June 4, 2019, for all other parcels. Bulk values of single-family residential property have been allocated by LDR and MDR lot.

(5) The Hypothetical FY 2019-20 Special Tax Levy assumes that the debt service on the 2019 Bonds due through September 1, 2020 would be funded by the FY 2019-20 Special Tax Levy, rather than capitalized interest from the proceeds of the 2019 Bonds as described in this Official Statement.

(6) Includes \$23,845,000 in outstanding principal of the 2017 Bonds together with the \$16,630,000 par amount of the 2019 Bonds.

(7) This table allocates the CFD Debt using the District's Hypothetical FY 2019-20 Special Tax Levy of \$2,025,475. Since the amount of the District's Hypothetical FY 2019-20 Special Tax Levy results in the District's Taxable Undeveloped Property to be levied at approximately 34% of the Maximum Special Tax (while the District's Taxable Developed Property is to be levied at 100% of its respective Maximum Special Tax), less CFD Bonded Debt is allocated to the undeveloped portion of the District in comparison to the developed portion of the District. This debt allocation causes the Value-to-Lien Ratios of the District's Undeveloped Property in this table to be higher than if CFD Debt was instead allocated based upon each parcel's Maximum Special Tax.

(8) Includes the general obligation bond debt as summarized under "Direct and Overlapping Tax and Assessment Debt" table in the overlapping debt report prepared by California Municipal Statistics, Inc. No direct charges related to PACE liens secured by Special Taxes were levied onto the District parcels in FY 2019-20.

(9) Of the District's 141 Completed Homes, 137 are valued by the Appraiser while 4 are valued using assessed value.

(10) The Financial Feasibility section of the Appraisal Report states that the development of Parcel F-6B with its affordable requirements is not financially feasible without the input of grant money and/or government subsidies. Further, it is not uncommon in the subject's market area for affordable multifamily developers to require a financial incentive from the land owners to take title to the property in order to proceed with development. This would indicate a market value below \$0. The construction of the multifamily affordable housing is not a condition for the development of the other taxable property in the District.

(11) Represents 4.84 acres of planned commercial property.

(12) Represents the estimated Maximum Special Tax if the entire District was fully developed as of the FY 2019-20 Special Tax Levy.

(13) Large Lots have not yet been recorded for these areas and are not separate parcels

Sources: Number of Expected Residential Units - Master Developer; Appraised Values, Bulk Value Allocations, Development Status Categories and Ownership of Appraised Property - Integra Realty Resources, Inc., as compiled by Willdan Financial Services; Assessed Values and Ownership of all Other Property - 2018-19 Secured Property Roll, Placer County, as compiled by Willdan Financial Services; Overlapping Debt - California Municipal Statistics, Inc, as compiled by Willdan Financial Services; PACE Special Taxes - Placer County Tax Collector, and Maximum Special Tax - Willdan Financial Services.

Overlapping Liens and Priority of Lien

The principal of and interest on the Bonds are payable from the Special Tax authorized to be collected within the District, and payment of the Special Tax is secured by a lien on certain real property within the District. Such lien is co-equal to and independent of the lien for general taxes and any other liens imposed under the Act, regardless of when they are imposed on the property in the District. The imposition of additional special taxes, assessments and general property taxes will increase the amount of independent and co-equal liens which must be satisfied in foreclosure. The City, the County and certain other public agencies are authorized by the Act to form other community facilities districts and improvement areas and, under other provisions of State law, to form special assessment districts, either or both of which could include all or a portion of the land within the District.

Other public agencies whose boundaries overlap those of the District could, without the consent of the City and in certain cases without the consent of the owners of the land within the District, impose additional taxes or assessment liens on the land within the District. The lien created on the land within the District through the levy of such additional taxes or assessments may be secured on parity with the lien of the Special Tax. In addition, construction loans may be obtained by the homebuilder owners and home loans are likely to be obtained by ultimate homeowners. The deeds of trust securing such debt on property within the District, however, will be subordinate to the lien of the Special Tax.

For example, additional CFD obligations on land in the District include City of Roseville Fiddymont Ranch Community Facilities District No. 2 (Public Services) and City of Roseville Community Facilities District No. 3 (Municipal Services). Each of these CFDs levies special taxes that pay for authorized public services, which special taxes are on a parity to the lien securing the Special Taxes securing the Bonds.

Set forth on the following page is an overlapping debt table showing the existing authorized indebtedness payable with respect to property within the District. This table has been prepared by California Municipal Statistics Inc. as of the date indicated, and is included for general information purposes only. The City has not reviewed the data for completeness or accuracy and makes no representations in connection therewith.

Table 8
Fiddymment Ranch Community Facilities District No. 5 (Public Facilities)
Summary of Overlapping Bonded Debt
As of June 1, 2019

2018-19 Assessed Valuation: \$37,446,924 (Land and Improvement)

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 6/1/19</u>	
Roseville Joint Union High School District General Obligation Bonds	0.126%	\$ 172,295	
Roseville Joint Union High School District SFID No. 1 General Obligation Bonds	1.684	909,255	
Roseville City School District General Obligation Bonds	0.218	31,296	
City of Roseville Fiddymment Ranch Community Facilities District No. 5	100.000	23,845,000	(1)
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$24,957,846	
 <u>OVERLAPPING GENERAL FUND DEBT:</u>			
Placer County Certificates of Participation	0.049%	\$12,583	
Placer County Office of Education Certificates of Participation	0.049	449	
Sierra Joint Community College District Certificates of Participation	0.037	1,393	
Roseville City School District General Fund Obligations	0.218	12,464	
Placer Mosquito and Vector Control District Certificates of Participation	0.049	2,945	
City of Roseville Certificates of Participation	0.167	<u>37,488</u>	
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		\$67,322	
Less: City of Roseville Certificates of Participation supported by golf course enterprise		<u>(4,031)</u>	
 TOTAL NET OVERLAPPING GENERAL FUND DEBT		\$63,291	
 GROSS COMBINED TOTAL DEBT		\$25,025,168	(2)
NET COMBINED TOTAL DEBT		\$25,021,137	

Ratios to 2018-19 Assessed Valuation:

Direct Debt (\$23,845,000)	63.68%
Total Direct and Overlapping Tax and Assessment Debt.....	66.65%
Gross Combined Total Debt.....	66.83%
Net Combined Total Debt.....	66.82%

(1) Excludes 2019 Bonds to be sold.

(2) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

Estimated Tax Burden on Single-Family Home

The Special Tax Administrator has provided sample tax bills showing the estimated tax burden for certain homes being developed and sold by JMC Homes, Signature Homes and Lennar Homes in the District. As shown in the following table, the overall tax burden for homes planned for the Northwood II neighborhood (JMC Homes), Woodbridge neighborhood (Signature Homes) and Corvara neighborhood (Lennar Homes), based upon the Fiscal Year 2018-19 ad valorem tax rates, are expected to range from approximately 1.59% to 1.68%.

Table 9
Fiddymment Ranch Community Facilities District No. 5 (Public Facilities)
Projected Overall Tax Burden for Single-Family Residential Parcels
Fiscal Year 2019-20

	<u>Project and Home Builder</u>		
	<u>Northwood II (JMC Homes)</u>	<u>Woodbridge (Signature Homes)</u>	<u>Corvara (Lennar Homes)</u>
Net Taxable Value	Estimated Value	Estimated Value	Estimated Value
Projected Assessed Value - Representative Homes ⁽¹⁾	\$439,990	\$509,900	\$504,990
Less: Homeowner's Exemption	(\$7,000)	(\$7,000)	(\$7,000)
Net Taxable Value	\$432,990	\$502,900	\$497,990
Ad Valorem Property Taxes	Rate ⁽²⁾	Taxes	Taxes
Base Property Tax	1.000000%	\$4,330	\$5,029
Rsvl City Elem B&I 2002 Series A Non Refunding	0.005802%	25	29
Rsvl City Elem B&I 2002 Series A&B Ref 2011	0.004318%	19	22
Rsvl High B&I 1992	0.012407%	54	62
Rsvl High B&I 2004 Series C Non Refunding	0.000926%	4	5
Rsvl High B&I 2004 A B & C Ref 2013	0.020975%	91	105
Rsvl High B&I 2008 SFID #1 11A Non-Ref 2016B	0.001973%	9	10
Rsvl High B&I 2008 SFID #1 11A Ref 2016B	0.007467%	32	38
Rsvl High B&I 2008 SFID #1 Series 2017	0.022305%	96	112
Rsvl High B&I 2016 Series A	0.009403%	41	47
Total Ad Valorem Property Taxes ⁽⁸⁾	1.085576%	\$4,700	\$5,459
Parcel Charges, Special Taxes and Assessments ⁽³⁾	Charges	Charges	Charges
Placer Mosquito & Vector ⁽⁴⁾	\$29	\$29	\$29
City of Roseville, Fiddymment Ranch CFD No. 5 (Public Facilities) ⁽⁵⁾	1,828	1,828	1,828
City of Roseville, Fiddymment Ranch CFD No. 2 (Public Services) ⁽⁶⁾	356	356	356
City of Roseville CFD No. 3 (Municipal Services) ⁽⁷⁾	458	458	458
Total Parcel Charges, Assessments, and Special Taxes ⁽⁸⁾	\$2,671	\$2,671	\$2,671
Total Projected Taxes and Direct Charges ⁽⁸⁾	\$7,371	\$8,130	\$8,077
Total Effective Projected Tax Rate	1.68%	1.59%	1.60%

(1) Representative Homes for projecting Effective Tax Rates. Estimated values shown for each Representative Home are the base sales prices of the lowest priced floor plans offered for sale by each builder currently under construction within the District as of July 25, 2019.

(2) Aggregate FY 2018-19 Ad Valorem Property Tax Rate for TRA 005-066 per Placer County Board Resolution 2018-146.

(3) Assumes no optional PACE related Special Taxes.

(4) FY 2018-19 Rate per home.

(5) Equal to the applicable Maximum Public Facilities Special Tax for FY 2019-20.

(6) Equal to the applicable Maximum Public Services Special Tax for FY 2019-20.

(7) Equal to the applicable Maximum Municipal Services Special Tax for FY 2019-20.

(8) Amounts rounded to nearest dollar.

Sources: FY 2018-19 Ad Valorem Tax Rates of TRA 005-066 and Placer Mosquito & Vector charges - Placer County; Base Sales Prices of Representative Homes - Signature Homes; Maximum Special Tax Rates, Roseville CFD Nos. 1, 2 and 3 - Willdan Financial Services.

Special Tax Collections and Delinquencies

The following table shows the Special Tax collections on parcels in the District for Fiscal Year 2017-18 and 2018-19. For those years, there were no delinquencies.

Table 10
City of Roseville
Fiddymment Ranch Community Facilities District No. 5 (Public Facilities)
Special Tax Collections and Delinquencies

Fiscal Year ⁽¹⁾	Annual Special Taxes Levied	No. of Parcels Levied	As of Each Fiscal Year End ⁽²⁾			
			Amount Collected	Amount Delinquent	No. of Parcels Delinquent	Percent Levy Delinquent
2017-18	\$1,539,927	78	\$1,539,927	\$0	0	0.00%
2018-19	\$1,419,024	338	\$1,419,024	\$0	0	0.00%

(1) Fiscal year 2017-18 was the District's first Special Tax levy.

(2) Delinquency information as of May 18, 2018 and May 14, 2019 for the Special Taxes levied in each of Fiscal Year 2017-18 and 2018-19, respectively.

Source: *Special Tax Collections - Placer County Tax Collector as of the above reported dates, compiled by Willdan Financial Services.*

SPECIAL RISK FACTORS

The purchase of the 2019 Bonds described in this Official Statement involves a degree of risk that may not be appropriate for some investors. The following includes a discussion of some of the risks which should be considered before making an investment decision. This discussion does not purport to be comprehensive or definitive or a complete statement of all factors that may be considered as risks in evaluating the credit quality of the 2019 Bonds.

Limited Obligation of the City to Pay Debt Service

The City has no obligation to pay principal of and interest on the Bonds in the event Special Tax collections are delinquent, other than from amounts, if any, on deposit in the Reserve Fund or funds derived from the tax sale or foreclosure and sale of parcels on which levies of the Special Tax are delinquent, nor is the City obligated to advance funds to pay such debt service on the Bonds. The Bonds are not general obligations of the City but are limited obligations of the City and the District payable solely from the proceeds of the Special Tax and certain funds held under the Fiscal Agent Agreement, including amounts deposited in the Reserve Fund and investment income thereon, and the proceeds, if any, from the sale of property subject to the Special Tax in the event of a foreclosure. See "SECURITY FOR THE BONDS." Any tax for the payment of the Bonds will be limited to the Special Tax to be collected within the jurisdiction of the District.

Concentration of Ownership

A substantial portion of the land within the District is owned by ATC Realty One or a merchant builder. An owner of property in the District is not personally obligated to pay the Special Tax attributable to the property in the District. Rather, the Special Tax is an obligation only against the parcel of property, secured by the amount which could be realized in a foreclosure proceeding against the property, and not by any promise of the owner of any property to pay. If the value of the property is not sufficient for the payment of debt service on the Bonds, taking into account other obligations also constituting a lien against the property, the City, Fiscal Agent and owners of the Bonds have no recourse against the owner, such as filing a lawsuit to collect money.

Failure of the current owners, or any future owners, of significant property subject to the Special Taxes in the District to pay installments of Special Taxes when due could cause the depletion of the Reserve Fund prior to reimbursement from the resale of foreclosed property or payment of the delinquent Special Tax and, consequently, result in the delinquency rate reaching a level that would cause an insufficiency in collection of the Special Tax to meet the District's obligations on the Bonds. For a description of ATC Realty One, see "OWNERSHIP OF PROPERTY WITHIN THE DISTRICT – ATC Realty One." In that event, there could be a delay or failure in payments on the Bonds. See "– Bankruptcy and Foreclosure Delays" below and "SECURITY FOR THE 2019 BONDS – Delinquent Payments; Covenant for Superior Court Foreclosure."

Development of undeveloped property within the District may be subject to unexpected delays, disruptions and changes which may affect the willingness and ability of the landowner to pay the Special Taxes when due. Certain infrastructure improvements remain to be completed in order to complete construction of homes in the District. No assurance can be given that the remaining proposed residential development will be partially or fully completed, and for purposes of evaluating the investment quality of the Bonds, prospective purchasers should consider the possibility that such parcels will remain vacant and only partially improved.

Levy and Collection of the Special Tax

General. The principal source of payment of principal of and interest on the Bonds is the proceeds of the annual levy and collection of the Special Tax against property within the District.

Limitation on Maximum Annual Special Tax Rate. The annual levy of the Special Tax is subject to the maximum annual Special Tax rate authorized in the Special Tax Formula. The levy cannot be made at a higher rate even if the failure to do so means that the estimated proceeds of the levy and collection of the Special Tax, together with other available funds, will not be sufficient to pay debt service on the Bonds.

In addition to the maximum annual Special Tax rate limitation in the Special Tax Formula, Section 53321(d) of the Act provides that the special tax levied against any parcel for which an occupancy permit for private residential use has been issued may not be increased as a consequence of delinquency or default by the owner of any other parcel within a community facilities district by more than 10% above the amount that would have been levied in such Fiscal Year had there never been any such delinquencies or defaults. In cases of significant delinquency, these factors may result in defaults in the payment of principal of and interest on the Bonds.

No Relationship Between Property Value and Special Tax Levy. Because the Special Tax Formula is not based on property value, the levy of the Special Tax will rarely, if ever, result in a uniform relationship between the value of particular parcels of Taxable Property and the amount of the levy of the Special Tax against those parcels. Thus, there will rarely, if ever, be a uniform relationship between the value of the parcels of Taxable Property and their proportionate share of debt service on the Bonds, and certainly not a direct relationship.

Factors that Could Lead to Special Tax Deficiencies. The following are some of the factors that might cause the levy of the Special Tax on any particular parcel of Taxable Property to vary from the Special Tax that might otherwise be expected:

Transfers to Governmental Entities. The number of parcels of Taxable Property could be reduced through the acquisition of Taxable Property by a governmental entity and failure of the government to pay the Special Tax based upon a claim of exemption or, in the case of the federal government or an agency thereof, immunity from taxation, thereby resulting in an increased tax burden on the remaining taxed parcels. The 10.44 acre parcel known as F-71 is expected to be a school site and exempt from the Special Tax. Accordingly, no special taxes have been assigned to this parcel, it has not been appraised by the Appraiser and no portion of the Bonds have been allocated to it in the tables in this Official Statement. Should any portion of Parcel F-71 convert to a taxable land use, Special Taxes would be assigned according to the taxable land use, in accordance with the Special Tax Formula.

Property Tax Delinquencies. Failure of the owners of Taxable Property to pay property taxes (and, consequently, the Special Tax), or delays in the collection of or inability to collect the Special Tax by tax sale or foreclosure and sale of the delinquent parcels, could result in a deficiency in the collection of Special Tax revenues. For a summary of recent Special Tax collection and delinquency rates in the District, see "VALUE OF PROPERTY WITHIN THE DISTRICT AND SPECIAL TAX BURDEN" herein.

Value-to-lien ratios on individual parcels may vary considerably from the average presented in this Official Statement. Certain parcels in the District have low value-to-lien ratios. For example, the Appraiser determined that the multifamily land component with income restrictions and no market-rate units (Parcel F-6B) has no market value. This leads to a zero value-to-lien ratio for this parcel.

Appraised Values

The Appraisal estimates the market value of the taxable property within the District. This market value is merely the present opinion of the Appraiser, and is subject to the assumptions and limiting conditions stated in the Appraisal. The City has not sought the present opinion of any other appraiser of the value of the taxed parcels. A different present opinion of value might be rendered by a different appraiser.

The opinion of value relates to sale by a willing seller to a willing buyer as of the date of valuation, each having similar information and neither being forced by other circumstances to sell or to buy. Consequently, the opinion is of limited use in predicting the selling price at a foreclosure sale, because the sale is forced and the buyer may not have the benefit of full information.

In considering the estimates of value evidenced by the Appraisal, it should be noted that the Appraisal is based upon a number of standard and special assumptions which affect the estimates as to value, as well as the hypothetical condition of the Improvements having been completed, as set forth in the Appraisal (see APPENDIX B hereto). The improvements to be financed by the Bonds were not in place as of the date of inspection; thus, the value estimate is subject to a hypothetical condition (of such improvements being in place).

In addition, the opinion of market value in the Appraisal is a present opinion. It is based upon present facts and circumstances. Differing facts and circumstances may lead to differing opinions of value. The appraised market value is not evidence of future value because future facts and circumstances may differ significantly from the present.

No assurance can be given that any of the appraised property in the District could be sold in a foreclosure for the estimated market value contained in the Appraisal. Such sale is the primary remedy available to Bondowners if that property should become delinquent in the payment of Special Taxes.

Property Values and Property Development

The value of taxable property within the District is a critical factor in determining the investment quality of the Bonds. If a property owner defaults in the payment of the Special Tax, the City's only remedy is to foreclose on the delinquent property in an attempt to obtain funds with which to pay the delinquent Special Tax. Land values could be adversely affected by economic and other factors beyond the City's control, such as a general economic downturn, relocation of employers out of the area, shortages of water, electricity, natural gas or other utilities, destruction of property caused by earthquake, flood, wildfires, or other natural disasters, environmental pollution or contamination, inability to obtain necessary permits or agreements with governmental entities, or unfavorable economic conditions.

The Appraisal (which is set forth in APPENDIX B to this Official Statement) is based on certain assumptions made by the Appraiser in estimating the market value of the property within the District as of the date indicated. No assurance can be given that the land values are accurate

if these assumptions are incorrect or that the values will not decline in the future if one or more events, such as natural disasters or adverse economic conditions, occur. See “– Appraised Values” above.

Neither the District nor the City has evaluated development risks related to the development of land in the District. Since these are largely business risks of the type that property owners customarily evaluate individually, and inasmuch as changes in land ownership may well mean changes in the evaluation with respect to any particular parcel, the City is issuing the 2019 Bonds without regard to any such evaluation. Thus, the creation of the District and the issuance of the 2019 Bonds in no way implies that the District or the City has evaluated these risks or the reasonableness of these risks.

The following is a discussion of specific risk factors that could affect the timing or scope of property development in the District or the value of property in the District.

Land Development. Land values are influenced by the level of development in the area in many respects. Construction of infrastructure required for development in the District is underway by ATC Realty One, but no assurance can be given that the infrastructure will be completed on the schedule currently envisioned by ATC Realty One. The timing of this infrastructure could lead to impacts on the land values in the District.

First, undeveloped or partially developed land is generally less valuable than developed land and provides less security to the Owners of the Bonds should it be necessary for the District to foreclose on undeveloped or partially developed property due to the nonpayment of Special Taxes.

Second, failure to complete development on a timely basis could adversely affect the land values of those parcels that have been completed. Lower land values would result in less security for the payment of principal of and interest on the 2019 Bonds and lower proceeds from any foreclosure sale necessitated by delinquencies in the payment of the Special Tax. See “VALUE OF PROPERTY WITHIN THE DISTRICT AND SPECIAL TAX BURDEN – Value to Special Tax Burden Ratios.” No assurance can be given that the proposed development within the District will be completed, and in assessing the investment quality of the 2019 Bonds, prospective purchasers should evaluate the risks of non-completion.

Neither ATC Realty One, nor any merchant builder nor any other person provides any assurances that the project currently envisioned for the land in the District will be completed, or that sources of financing that will actually be available to ATC Realty One will be sufficient to complete such projected development. Neither ATC Realty One nor any merchant builder has an obligation to the City or to owners of the Bonds to complete the project.

Risks of Real Estate Investment Generally. Continuing development of land within the District may be adversely affected by changes in general or local economic conditions, fluctuations in the real estate market, increased construction costs, development, financing and marketing capabilities of individual property owners, water or electricity shortages, and other similar factors. Development in the District may also be affected by development in surrounding areas, which may compete with the District. In addition, land development operations are subject to comprehensive federal, state and local regulations, including environmental, land use, zoning and building requirements. There can be no assurance that proposed land development operations within the District will not be adversely affected by future government policies, including, but not limited to, governmental policies to restrict or control development, or future

growth control initiatives. There can be no assurance that land development operations within the District will not be adversely affected by these risks.

Natural Disasters. The value of the parcels in the District in the future can be adversely affected by a variety of natural occurrences, particularly those that may affect infrastructure and other public improvements and private improvements on the parcels in the District and the continued habitability and enjoyment of such private improvements. For example, the areas in and surrounding the District, like those in much of the State, may be subject to earthquakes or other unpredictable seismic activity. See “THE DISTRICT – Environmental Matters.”

Other natural disasters could include, without limitation, landslides, floods, droughts, wildfires or tornadoes. One or more natural disasters could occur and could result in damage to improvements of varying seriousness. Although the District is not in a high-risk area for landslides, floods, wildfires or tornadoes, natural disasters such as these are unpredictable and may occur anywhere throughout the State, with devastating consequences. The damage may entail significant repair or replacement costs and that repair or replacement may never occur either because of the cost, or because repair or replacement will not facilitate habitability or other use, or because other considerations preclude such repair or replacement. Under any of these circumstances there could be significant delinquencies in the payment of Special Taxes, and the value of the parcels may well depreciate.

Drought. California has been subject to droughts from time-to-time in the past. Although the City does not believe any future drought would impact development in the District, no assurances can be given in this regard.

The City employs a portfolio approach to its water supplies which includes the use of surface water, groundwater and recycled water. This portfolio approach is designed to provide a more reliable water supply. Surface water is the City’s primary water supply which is delivered from the Folsom Reservoir under contracts with the Bureau of Reclamation and the Placer County Water Agency. The City also uses groundwater to supplement its surface water supplies during emergency and drought conditions. These ground water wells are designated to accommodate Aquifer Storage and Recovery (ASR). The City’s ASR program allows for the storage of treated surface water in the groundwater basin through direct injection through the ASR wells. This water can be extracted later from the same wells for use during emergency or drought conditions. This water “banking” allows the City to use groundwater without significant impact to the ground water table when surface water supplies are limited. The City also uses recycled water generated from its wastewater treatment facilities for irrigation purposes in commercial landscaping, public rights-of way, parks and golf courses. The use of recycled water reduces the demand for treated water for these purposes and leaving more for domestic use. However, no assurance can be given that a future drought affecting homes in the District would not result in decreased values.

The City indicates it has adequate surface water and groundwater supplies to meet the allocation for all phases of development in the District, notwithstanding existing limitations as part of the City’s drought management programs. However, in the event that the City’s water supply is severely limited or cut off by virtue of future actions beyond its control resulting from ongoing or future drought conditions, development within the District may be delayed or even stopped. Should the City need to restrict development, it must do so Citywide and cannot single out the District property in restricting development activity. In turn, the anticipated diversity of ownership of land within the District could also be reduced, making the owners of the 2019 Bonds more dependent upon ATC Realty One, merchant builders in the District or other owners of undeveloped land for the timely payment of the Special Taxes. Furthermore, such an increased

period of concentrated ownership of undeveloped land increases the potential negative impact of any bankruptcy or other financial difficulties experienced by ATC Realty One, merchant builders in the District or successor owners. Any reduction or interruption in the water supply would also likely cause a reduction in the land value and thus a reduction in the security in the event of a need to foreclose on land within the District following a delinquency in the payment of Special Taxes.

Legal Requirements. Other events that may affect the value of a parcel include changes in the law or application of the law. Such changes may include, without limitation, local growth control initiatives, local utility connection moratoriums and local application of statewide tax and governmental spending limitation measures. Development in the District may also be adversely affected by the application of laws protecting endangered or threatened species.

Hazardous Substances. Any discovery of a hazardous substance detected on property within the District would affect the marketability and the value of some or all of the property in the District. In that event, the owners and operators of a parcel within the District may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws. State law with regard to hazardous substances are also applicable to property within the District and are as stringent as the federal laws. Under many of these laws, the owner (or operator) is obligated to remedy a hazardous substance condition of property whether or not the owner (or operator) has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the parcels be contaminated by a hazardous substance is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

The values set forth in the Appraisal do not take into account the possible reduction in marketability and value of any of the parcels within the District by reason of the possible liability of the owner (or operator) for the remedy of a hazardous substance condition on a parcel. Although the City is not aware that the owner (or operator) of any of the property within the District has a current liability for a hazardous substance with respect to any of the parcels, it is possible that such liabilities do currently exist and that the City is not aware of them. ATC Realty One is not aware of any hazardous substances located within the District.

Further, it is possible that liabilities may arise in the future with respect to any of the parcels within the District resulting from the existence, currently, on the parcel of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the value of a parcel within the District that is realizable upon a foreclosure sale.

Endangered and Threatened Species. It is illegal to harm or disturb any plants or animals in their habitat that have been listed as endangered species by the United States Fish & Wildlife Service under the Federal Endangered Species Act or by the California Fish & Game Commission under the California Endangered Species Act without a permit. The discovery of an endangered plant or animal could delay development of undeveloped property in the District or reduce the value of such property. ATC Realty One has obtained all required permits from United

States Fish & Wildlife Service under the Federal Endangered Species Act or by the California Fish & Game Commission under the California Endangered Species Act to develop the project on ATC Realty One's property in the District.

FDIC/Federal Government Interests in Properties

General. The ability of the City to foreclose the lien of delinquent unpaid Special Tax installments may be limited with regard to properties in which the Federal Deposit Insurance Corporation (the “**FDIC**”), the Drug Enforcement Agency, the Internal Revenue Service, or other federal agency has or obtains an interest.

Federal courts have held that, based on the supremacy clause of the United States Constitution, in the absence of Congressional intent to the contrary, a state or local agency cannot foreclose to collect delinquent taxes or assessments if foreclosure would impair the federal government interest.

The supremacy clause of the United States Constitution reads as follows: “This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the contrary notwithstanding.”

This means that, unless Congress has otherwise provided, if a federal governmental entity owns a parcel that is subject to Special Taxes within the District but does not pay taxes and assessments levied on the parcel (including Special Taxes), the applicable state and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

Moreover, unless Congress has otherwise provided, if the federal government has a mortgage interest in the parcel and the City wishes to foreclose on the parcel as a result of delinquent Special Taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to pay delinquent taxes and assessments on parity with the Special Taxes and preserve the federal government's mortgage interest. In *Rust v. Johnson* (9th Circuit; 1979) 597 F.2d 174, the United States Court of Appeal, Ninth Circuit held that the Federal National Mortgage Association (“**FNMA**”) is a federal instrumentality for purposes of this doctrine, and not a private entity, and that, as a result, an exercise of state power over a mortgage interest held by FNMA constitutes an exercise of state power over property of the United States.

Bankruptcy and Foreclosure Delays

The payment of the Special Tax and the ability of the District to foreclose the lien of a delinquent unpaid tax, as discussed in “SECURITY FOR THE BONDS – Delinquent Payments of Special Tax; Covenant for Superior Court Foreclosure,” may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State of California relating to judicial foreclosure. The various legal opinions to be delivered concurrently with the delivery of the 2019 Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Although bankruptcy proceedings would not cause the Special Taxes to become extinguished, bankruptcy of a property owner could result in a delay in prosecuting superior court

foreclosure proceedings and could result in the possibility of delinquent Special Tax installments not being paid in full. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the 2019 Bonds. To the extent that property in the District continues to be owned by a limited number of property owners, the chances are increased that the Reserve Fund established for the 2019 Bonds could be fully depleted during any such delay in obtaining payment of delinquent Special Taxes. As a result, sufficient moneys would not be available in the Reserve Fund for transfer to the Bond Fund to make up shortfalls resulting from delinquent payments of the Special Tax and thereby to pay principal of and interest on the 2019 Bonds on a timely basis.

To the extent that bankruptcy or similar proceedings were to involve a large property owner, the chances would increase the likelihood that the Reserve Fund could be fully depleted during any resulting delay in receiving payment of delinquent Special Taxes. As a result, sufficient monies would not be available in the Reserve Fund for transfer to the Bond Fund to make up any shortfalls resulting from delinquent payments of the Special Tax and thereby to pay principal of and interest on the 2019 Bonds on a timely basis.

On July 30, 1992, the United States Court of Appeals for the Ninth Circuit issued its opinion in a bankruptcy case entitled *In re Glasply Marine Industries*. In that case, the court held that *ad valorem* property taxes levied by Snohomish County in the State of Washington after the date that the property owner filed a petition for bankruptcy were not entitled to priority over a secured creditor with a prior lien on that property. The court upheld the priority of unpaid *ad valorem* taxes imposed before the bankruptcy petition (the “pre-petition taxes”), but unpaid taxes imposed after the filing of the bankruptcy petition (“post-petition taxes”) were declared to be unsecured “administrative expenses” of the bankruptcy estate, and were therefore held to be payable from the bankruptcy estate only after payment of all secured creditors. As a result, the secured creditor of the property was able to foreclose on the property and retain all of the proceeds of the sale except for the amount of the pre-petition taxes.

According to the court’s ruling, as administrative expenses, post-petition taxes would have to be paid, but only if the debtor had sufficient assets not subject to other perfected security interests to do so. In certain circumstances, payment of such administrative expenses may also be allowed to be deferred. Once the property is transferred out of the bankruptcy estate (through foreclosure or otherwise) it would at that time again become subject to and would secure liens for then current and future *ad valorem* taxes.

Glasply was controlling precedent on bankruptcy courts in the State of California for several years subsequent to the date of the Ninth Circuit’s holding. Pursuant to state law, the lien date for general *ad valorem* property taxes levied in the State of California is the January 1 preceding the fiscal year for which the taxes are levied. Under the *Glasply* holding, a bankruptcy petition filing would have prevented the lien for general *ad valorem* property taxes levied in fiscal years subsequent to the filing of a bankruptcy petition from attaching and becoming a lien so long as the property was a part of the estate in bankruptcy. However, the *Glasply* holding was for the most part subsequently rendered inoperative with respect to the imposition of a lien for and the collection of *ad valorem* taxes by amendments to the federal Bankruptcy Code (Title 11 U.S.C.) which were part of the Bankruptcy Reform Act of 1994 (the “Bankruptcy Reform Act”) passed by Congress during the later part of 1994. The Bankruptcy Reform Act added a provision to the automatic stay section of the Bankruptcy Code which, pursuant to Section 362(b)(18) thereof, excepts from the Bankruptcy Code’s automatic stay provisions, “the creation of a statutory lien for an *ad valorem* property tax imposed by . . . a political subdivision of a state, if such tax comes due after the filing of the petition” by a debtor in bankruptcy court. The effect of this provision is to

continue the secured interest of *ad valorem* taxes on real property (i.e., post-petition taxes) in effect during the period following the filing of a bankruptcy petition, including during the period bankruptcy proceedings are pending.

Without further clarification by the courts or Congress, the original rationale of the *Glasply* holding could, however, still result in the treatment of post-petition special taxes as “administrative expenses,” rather than as tax liens secured by real property, at least during the pendency of bankruptcy proceedings. This treatment might result from the fact that, although the lien of special taxes is of record from the date of the filing of a Notice of Special Tax Lien, the actual special tax is levied annually. As noted above, special taxes have a different lien date than the lien date for general *ad valorem* taxes in the State of California noted above. The lien of a Mello-Roos special tax attaches upon recordation of the notice of the special tax lien, as provided for in Section 53328.3 of the Act, as opposed to the annual January 1 lien date for general *ad valorem* taxes. Thus, in deciding whether the original *Glasply* ruling is applicable to a bankruptcy proceeding involving special taxes rather than general *ad valorem* property taxes, a court might consider the differences in the statutory provisions for creation of the applicable tax lien (general *ad valorem* or special tax) in determining whether there is a basis for post petition special taxes to be entitled to a lien on the property during pending bankruptcy proceedings. If a court were to apply *Glasply* to eliminate the priority of the special tax lien as a secured claim against property with respect to post-petition levies of the Special Taxes made against property owners within the District who file for bankruptcy, collections of the Special Taxes from such property owners could be reduced as the result of being treated as “administrative expenses” of the bankruptcy estate. Also, and most importantly, is the fact that the original holding in *Glasply* and the mitigation of that holding by the Bankruptcy Reform Act of 1994 both appear to be applicable only to general *ad valorem* taxes, and, therefore, the exemption from the automatic stay in Section 362(b)(18) discussed above may not be applicable to special taxes since they were not expressly mentioned or provided for in this section, nor defined to be included within the term “*ad valorem* taxes.”

Parity Taxes and Special Assessments; Private Debt

The City, the County and certain other public agencies are authorized by the Act to form other community facilities districts and improvement areas and, under other provisions of State law, to form special assessment districts, either or both of which could include all or a portion of the land within the District.

Property in the District is currently subject to certain overlapping tax and assessment liens, as shown in the overlapping debt statement. Property in the District is also subject to the special tax of two additional community facilities districts formed to fund services. See “VALUE OF PROPERTY WITHIN THE DISTRICT – Estimated Tax Burden on Single Family Home.”

In addition, other governmental obligations may be authorized and undertaken or issued in the future, the tax, assessment or charge for which may become an obligation of one or more of the parcels of taxable property and may be secured by a lien on a parity with the lien of the Special Tax securing the 2019 Bonds. The principal of and interest on the 2019 Bonds are payable from the Special Tax authorized to be collected within the District, and payment of the Special Tax is secured by a lien on certain real property within the District. Such lien is co-equal to and independent of the lien for general taxes and any other liens imposed under the Act, regardless of when they are imposed on the property in the District. The imposition of additional special taxes, assessments and general property taxes will increase the amount of independent and co-equal liens which must be satisfied in foreclosure if unpaid. The City, the County and certain other public agencies are authorized by the Act to form other community facilities districts and

improvement areas and, under other provisions of State law, to form special assessment districts, either or both of which could include all or a portion of the land within the District. Although the Special Taxes will generally have priority over non-governmental liens on a parcel of taxable property, regardless of whether the non-governmental liens were in existence at the time of the levy of the Special Tax or not, this result may not apply in the case of bankruptcy. See “– Bankruptcy and Foreclosure Delays” above.

There can be no assurance that property owners within the District will not petition for the formation of other community facilities districts and improvement areas or for a special assessment district or districts and that parity special taxes or special assessments will not be levied by the County or some other public agency to finance additional public facilities. Property owners may also elect to finance improvements to their homes through Property Assessed Clean Energy (PACE) financings, which are secured by assessment district liens. In addition to liens for special taxes or assessments to finance public improvements of benefit to land within the District, owners of property may obtain loans from banks or other private sources which loans may be secured by a lien on the parcels in the District. Such loans would increase amounts owed by the owner of such parcel with respect to development of its property in the District. However, the lien of such loans would be subordinate to the lien of the Special Taxes.

Tax Delinquencies

Under provisions of the Act, the Special Taxes will be billed to the properties within the District on the regular property tax bills sent to owners of such properties. Such Special Tax installments are due and payable, and bear the same penalties and interest for nonpayment, as do regular property tax installments. Special Tax installment payments cannot be made separately from property tax payments. Therefore, the unwillingness or inability of a property owner to pay regular property tax bills as evidenced by property tax delinquencies may also indicate an unwillingness or inability to make regular property tax payments and Special Tax payments in the future.

The annual Special Tax will be billed and collected in two installments payable without penalty by December 10 and April 10. In the event such Special Taxes are not timely paid, moneys available to pay debt service on the 2019 Bonds becoming due on the subsequent respective March 1 and September 1 may be insufficient, except to the extent moneys are available in the Reserve Fund.

In the event of non-payment of Special Taxes, funds in the Reserve Fund, if available, may be used to pay principal of and interest on the 2019 Bonds. If funds in the Reserve Fund for the 2019 Bonds are depleted, the funds can be replenished from the proceeds of the levy and collection of the Special Tax that are in excess of the amount required to pay all amounts to be paid to the 2019 Bond holders pursuant to the Fiscal Agent Agreement. However, no replenishment from the proceeds of a Special Tax levy can occur as long as the proceeds that are collected from the levy of the Special Tax against property within the District at the maximum Special Tax rates, together with other available funds, remains insufficient to pay all such amounts. Thus it is possible that the Reserve Fund will be depleted and not be replenished by the levy of the Special Tax.

See “SECURITY FOR THE BONDS – Delinquent Payments of Special Tax; Covenant for Superior Court Foreclosure” for a discussion of the provisions which apply, and procedures which the City is obligated to follow, in the event of delinquency in the payment of Special Taxes. See

also “SECURITY FOR THE BONDS – Special Tax Methodology” for a discussion of a limitation imposed by the Act applicable to Special Tax increases on residential property.

No Acceleration Provisions

The Bonds do not contain a provision allowing for their acceleration in the event of a payment default or other default under the terms of the Bonds or the Fiscal Agent Agreement. Under the Fiscal Agent Agreement, a Bondowner is given the right for the equal benefit and protection of all Bondowners similarly situated to pursue certain remedies. So long as the Bonds are in book-entry form, DTC will be the sole Bondowner and will be entitled to exercise all rights and remedies of Bond holders, in accordance with its procedures and rules.

Loss of Tax Exemption

As discussed under the caption “LEGAL MATTERS – Tax Exemption,” interest on the 2019 Bonds might become includable in gross income for purposes of federal income taxation retroactive to the date the 2019 Bonds were issued as a result of future acts or omissions of the City in violation of its covenants in the Fiscal Agent Agreement. The Fiscal Agent Agreement does not contain a special redemption feature triggered by the occurrence of an event of taxability. As a result, if interest on the 2019 Bonds were to become includable in gross income for purposes of federal income taxation, the 2019 Bonds would continue to remain outstanding until maturity unless earlier redeemed pursuant to optional redemption, mandatory sinking fund redemption or special mandatory redemption upon prepayment of the Special Taxes.

IRS Audit of Tax-Exempt Bond Issues

The Internal Revenue Service (the “**IRS**”) has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the 2019 Bonds will be selected for audit by the IRS. It is also possible that the market value of such 2019 Bonds might be affected as a result of such an audit of such 2019 Bonds (or by an audit of similar bonds or securities).

Voter Initiatives

From time to time, initiative measures qualify for the State ballot pursuant to the State’s constitutional initiative process and those measures could be adopted by State voters. The adoption of any such initiative might place limitations on the ability of the State, the City, the County or other local districts to increase revenues or to increase appropriations or on the ability of the landowners to complete the development of the District. See “– Property Values and Property Development” above.

Under the State Constitution, the power of initiative is reserved to the voters for the purpose of enacting statutes and constitutional amendments. Since 1978, the voters have exercised this power through the adoption of Proposition 13 and similar measures, including Proposition 218, which was approved in the general election held on November 5, 1996, and Proposition 26, which was approved on November 2, 2010.

Any such initiative may affect the collection of fees, taxes and other types of revenue by local agencies such as the District. Subject to overriding federal constitutional principles, such collection may be materially and adversely affected by voter-approved initiatives, possibly to the

extent of creating cash-flow problems in the payment of outstanding obligations such as the 2019 Bonds.

Proposition 218—Voter Approval for Local Government Taxes—Limitation on Fees, Assessments, and Charges—Initiative Constitutional Amendment, added Articles XIIC and XIID to the State Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges.

On November 2, 2010, State voters approved Proposition 26, entitled the “Supermajority Vote to Pass New Taxes and Fees Act”. Section 1 of Proposition 26 declares that Proposition 26 is intended to limit the ability of the State Legislature and local government to circumvent existing restrictions on increasing taxes by defining the new or expanded taxes as “fees.” Proposition 26 amended Articles XIIA and XIIC of the State Constitution. The amendments to Article XIIA limit the ability of the State Legislature to impose higher taxes (as defined in Proposition 26) without a two-thirds vote of the Legislature. Article XIIC requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes require a majority vote and taxes for specific purposes (“special taxes”) require a two-thirds vote.

The Special Taxes and the 2019 Bonds were each authorized by not less than a two-thirds vote of the landowners within the District who constituted the qualified electors at the time of such voted authorization. The District believes, therefore, that issuance of the 2019 Bonds does not require the conduct of further proceedings under the Act, Proposition 218 or Proposition 26.

Like their antecedents, Proposition 218 and Proposition 26 are likely to undergo both judicial and legislative scrutiny before the impact on the District can be determined. Certain provisions of Proposition 218 and Proposition 26 may be examined by the courts for their constitutionality under both State and federal constitutional law, the outcome of which cannot be predicted.

Recent Case Law Related to the Mello-Roos Act

On August 1, 2014, the California Court of Appeal, Fourth Appellate District, issued its opinion in *City of San Diego v. Melvin Shapiro, et al.* (D063997). The case involved a Convention Center Facilities District (the “CCFD”) established by the City of San Diego. The CCFD is a financing district established under San Diego’s city charter (the “Charter”) and was intended to function much like a community facilities district established under the Act. The CCFD was comprised of all of the real property in the entire city. However, the CCFD special tax was to be levied only on properties in the CCFD that were improved with a hotel.

At the election to authorize the CCFD special tax, the CCFD proceedings limited the electorate to owners of hotel properties and lessees of real property owned by a governmental entity on which a hotel was located. Registered voters in the City of San Diego were not permitted to vote. This definition of the qualified electors of the CCFD was based on Section 53326(c) of the Act, which generally provides that, if a special tax will not be apportioned in any tax year on residential property, the legislative body may provide that the vote shall be by the landowners of the proposed community facilities district whose property would be subject to the special tax. The *San Diego* Court held that the CCFD special tax election did not comply with its Charter and with applicable provisions of the State Constitution -- specifically Article XIIA, section 4 (“Cities, Counties and special districts, by a two-thirds vote of the qualified electors of such district, may impose special taxes on such district . . .”) and Article XIIC, section 2(d) (“No local government may impose, extend, or increase any special tax unless and until that tax is submitted to the

electorate and approved by a two-thirds vote.”) -- because the electors in the CCFD election should have been the registered voters residing within the CCFD (the boundaries of which were coterminous with the boundaries of the City of San Diego).

As to the District, there were no registered voters within the District at the time of the election to authorize the Special Taxes. Significantly, the *San Diego* Court expressly stated that it was not addressing the validity of a landowner election to impose special taxes on property pursuant to the Act in situations where there are fewer than 12 registered voters. Therefore, by its terms, the *San Diego* Court’s holding does not apply to the special tax election in the District. Moreover, Sections 53341 and 53359 of the Act establish a limited period of time in which special taxes levied under the Act may be challenged by a third party, which time period has now passed.

Cyber Security

The City, like many other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other sensitive electronic information, the City is potentially subject to multiple cyber threats, including without limitation hacking, viruses, ransomware, malware and other attacks. No assurance can be given that the City’s efforts to manage cyber threats and attacks will be successful in all cases, or that any such attack will not materially impact the operations or finances of the City or the District, or the administration of the 2019 Bonds. The City is also reliant on other entities and service providers in connection with the administration of the 2019 Bonds, including without limitation the County tax collector for the levy and collection of Special Taxes, the Fiscal Agent, and the dissemination agent. No assurance can be given that the City, the District and these other entities will not be affected by cyber threats and attacks in a manner that may affect the Bond owners.

Potential Early Redemption of Bonds from Prepayments

Property owners within the District, including ATC Realty One, the merchant builders and individual homeowners, are permitted to prepay their Special Tax obligation at any time. Such prepayments could also be made from the proceeds of bonds issued by or on behalf of an overlapping special assessment district or community facilities district. Such prepayments will result in a redemption of the Bonds on the interest payment date for which timely notice may be given under the Fiscal Agent Agreement following the receipt of the prepayment. The resulting redemption of Bonds that were purchased at a price greater than par could reduce the otherwise expected yield on such Bonds.

CONSTITUTIONAL LIMITATIONS ON TAXATION AND APPROPRIATIONS

Article XIII A of the California Constitution, commonly known as “**Proposition 13**,” provides that each county will levy the maximum *ad valorem* property tax permitted by Proposition 13 and will distribute the proceeds to local agencies in accordance with an allocation formula based in part on pre-Proposition 13 *ad valorem* property tax rates levied by local agencies.

Article XIII A limits the maximum *ad valorem* tax on real property to 1% of “full cash value,” which is defined as the County Assessor’s valuation of real property as shown on the 1975-76 tax bill under full cash value, or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment. The full

cash value may be adjusted annually to reflect increases of no more than 2% per year or decreases in the consumer price index or comparable local data, or declining property value caused by damage, destruction or other factors.

Article XIII A exempts from the 1% tax limitation any taxes to repay indebtedness approved by the voters prior to July 1, 1978, and requires a vote of two-thirds of the qualified electorate to impose Special Taxes or any additional *ad valorem*, sales, or transaction taxes on real property. In addition, Article XIII A requires the approval of two-thirds of all members of the State Legislature to change any State laws resulting in increased tax revenues. On June 3, 1986, California voters approved an amendment to Article XIII A of the California Constitution to allow local governments and school districts to raise their property tax rates above the constitutionally mandated 1% ceiling for the purpose of paying off certain new general obligation debt issued for the acquisition or improvement of real property and approved by two-thirds of the votes cast by the qualified electorate. If any such voter-approved debt is issued, it may be on a parity with the lien of the Special Tax on the parcels within the District.

State and local government agencies in the State, and the State itself are subject to annual appropriation limits, imposed by Article XIII B of the State Constitution. Article XIII B prohibits government agencies and the State from spending “appropriations subject to limitation” in excess of the appropriations limits imposed. “Appropriations subject to limitation” are authorizations to spend “proceeds of taxes,” which consist of tax revenues, certain state subventions and certain other funds, including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed the cost reasonably borne by such entity in providing the regulation, product or service. No limit is imposed on appropriations of funds which are not “proceeds of taxes” such as debt service on indebtedness existing or authorized before January 1, 1979, or subsequently authorized by the voters, appropriations required to comply with mandates of courts or the federal government, reasonable user charges or fees and certain other non-tax funds.

CONTINUING DISCLOSURE

The City has covenanted for the benefit of owners of the 2019 Bonds to provide certain financial information and operating data relating to the District by not later than January 15 after the end of the City’s Fiscal Year (presently June 30) in each year (the “**City Annual Report**”) commencing with its report for the 2018-19 Fiscal Year (due January 15, 2020) and to provide notices of the occurrence of certain enumerated events.

ATC Realty One has also covenanted for the benefit of owners of the 2019 Bonds to provide certain financial information and operating data relating to the property it or its affiliates owns in the District by not later than April 1st and October 1st of each year (reflecting reported information as of a date no more than 60 days prior) beginning with the report due April 1, 2020 (the “**Major Owner Periodic Reports**”) and to provide notices of the occurrence of certain enumerated events. The obligation of ATC Realty One to provide such information is in effect only so long as ATC Realty One and its affiliates, or their successors, are collectively responsible for 20% of the Special Taxes, and ATC Realty One’s undertaking includes a provision that if a portion of ATC Realty One’s property which is responsible for 20% or more of the Special Taxes is sold, the reporting obligation may be assumed by the new owner and ATC Realty One’s obligations with respect to such property will be terminated, or if not so assumed, ATC Realty One is to report such required information, as applicable to the transferee. ATC Realty One’s reporting obligation may end in certain other circumstances, as described in APPENDIX E.

The City Annual Reports, Major Owner Periodic Reports and notice of a listed event will be filed with the Municipal Securities Rulemaking Board. The covenants of the City have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “**Rule**”). The specific nature of the information to be contained in the annual reports or the notices of listed events by the City and ATC Realty One is summarized in “APPENDIX E – Forms of Continuing Disclosure Undertakings.”

The City believes it currently is in material compliance with all of its continuing disclosure undertakings for the last five years. Notwithstanding the foregoing, in the last five years:

(1) The Annual Reports for Fiscal Year 2014-15 for certain of the City's then-outstanding obligations were not timely filed, without timely notice of late filings.

(2) The City has not, in a timely manner, filed all significant event notices of changes in the ratings of certain then-outstanding obligations resulting from changes in ratings of the bond insurers who insured such obligations or the underlying ratings for such obligations. However, the City has submitted all significant event notices of changes in ratings occurring during the last five years on all currently outstanding obligations.

ATC Realty One has represented to the City that, during the past five years, ATC Realty One has been in material compliance with its continuing disclosure undertakings.

UNDERWRITING

The 2019 Bonds were purchased through negotiation by Stifel, Nicolaus & Company, Incorporated, as underwriter (the “**Underwriter**”). The Underwriter agreed to purchase the 2019 Bonds at a price of \$18,755,667.15, which is the principal amount thereof (\$16,630,000) plus net original issue premium of \$2,303,016.00 and less Underwriter's discount of \$177,348.85. The initial public offering prices set forth on the cover page hereof may be changed by the Underwriter. The Underwriter may offer and sell the 2019 Bonds to certain dealers and others at a price lower than the public offering prices set forth on the cover page hereof.

MUNICIPAL ADVISOR

The City has retained Hilltop Securities Inc., Encino, California, as registered municipal advisor (the “**Municipal Advisor**”) in connection with the issuance of the 2019 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. The fees of the Municipal Advisor are contingent upon the sale and delivery of the 2019 Bonds.

LEGAL OPINION

The validity of the 2019 Bonds and certain other legal matters are subject to the approving opinion of Jones Hall, a Professional Law Corporation, Bond Counsel. A complete copy of the proposed form of Bond Counsel opinion is contained in APPENDIX D to this Official Statement, and the final opinion will be made available to registered owners of the 2019 Bonds at the time of delivery. The fees of Bond Counsel are contingent upon the sale and delivery of the 2019 Bonds.

TAX MATTERS

Federal Tax Status. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the 2019 Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended (the “**Tax Code**”) relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the 2019 Bonds. The City has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the 2019 Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a 2019 Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes “original issue discount” for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a 2019 Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes “original issue premium” for purposes of federal income taxes and State of California personal income taxes. *De minimis* original issue discount and original issue premium are disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the 2019 Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such 2019 Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such 2019 Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the 2019 Bonds who purchase the 2019 Bonds after the initial offering of a substantial amount of such maturity. Owners of such 2019 Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2019 Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such 2019 Bonds under federal individual alternative minimum taxes.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the 2019 Bond (said term being the shorter of the 2019 Bond’s maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the 2019 Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a 2019 Bond is amortized each year over the term to maturity of the 2019 Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized 2019 Bond premium is not deductible for federal income tax purposes. Owners of

premium 2019 Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such 2019 Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the 2019 Bonds is exempt from California personal income taxes.

Other Tax Considerations. Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the 2019 Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the 2019 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the 2019 Bonds, or as to the consequences of owning or receiving interest on the 2019 Bonds, as of any future date. Prospective purchasers of the 2019 Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the 2019 Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 2019 Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the 2019 Bonds, the ownership, sale or disposition of the 2019 Bonds, or the amount, accrual or receipt of interest on the 2019 Bonds.

NO RATINGS

The City has not applied to a rating agency for the assignment of a rating to the 2019 Bonds and does not contemplate applying for a rating.

NO LITIGATION

At the time of delivery of and payment for the 2019 Bonds, the City Attorney will deliver his opinion that to the best of its knowledge there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or regulatory agency pending against the City affecting its existence or the titles of its officers to office or seeking to restrain or to enjoin the issuance, sale or delivery of the 2019 Bonds, the application of the proceeds thereof in accordance with the Fiscal Agent Agreement, or the collection or application of the Special Tax to pay the principal of and interest on the 2019 Bonds, or in any way contesting or affecting the validity or enforceability of the 2019 Bonds, the Fiscal Agent Agreement or any action of the City contemplated by any of said documents, or in any way contesting the completeness or accuracy of this Official Statement or any amendment or supplement thereto, or contesting the powers of the City or its authority with respect to the 2019 Bonds or any action of the City contemplated by any of said documents.

EXECUTION

The execution and delivery of this Official Statement by the City has been duly authorized by the City Council on behalf of the District.

CITY OF ROSEVILLE

By: /s/ Dennis Kauffman
Chief Financial Officer

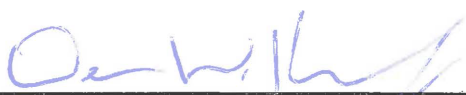
NO LITIGATION

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EXECUTION

The execution and delivery of this Official Statement by the City has been duly authorized by the City Council on behalf of the District.

CITY OF ROSEVILLE

By: 
Chief Financial Officer

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APPENDIX A

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

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Rate and Method of Apportionment of Special Tax

City of Roseville

Fiddymment Ranch Community Facilities District No. 5 (Public Facilities)

A Special Tax shall be levied on all Taxable Property within the boundaries of the City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities) ("CFD No. 5") and collected each Fiscal Year commencing in Fiscal Year 2016-17, in an amount determined by the CFD Administrator through the application of the procedures described below. All of the real property within CFD No. 5, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

1. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or "Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map or other Development Plan.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Fees & Expenses" means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of the City carrying out its duties with respect to CFD No. 5 and the Bonds, including, but not limited to, levying and collecting the Special Taxes, the fees and expenses of legal counsel, charges levied by the County, costs related to annexing property into the CFD, costs related to property owner inquiries regarding the Special Taxes, costs associated with complying with any continuing disclosure requirements for the Bonds and the Special Taxes, and all other costs and expenses of the City in any way related to the establishment or administration of the CFD.

"Affordable Housing Director" means, at any point in time, the person within the City who serves as head of the department that is in charge of the City's affordable housing program.

"Affordable Unit" means a Residential Unit built on a Parcel of Residential Property for which an Affordable Purchase Development Agreement has been recorded on title of the property designating the Unit as affordable and resulting in an on-going deed of trust obligation of the Parcel in favor of the City or which is otherwise classified as deed-restricted affordable

property. The City's Affordable Housing Director shall determine which Units are designated as Affordable Units and shall maintain a current inventory of all Affordable Units, identified by tract and lot number, and in the case of Planning Areas, the number of affordable Units for each such Planning Area; all entries shall indicate the effective date of each Affordable Unit's deed of trust obligation or deed restriction and the effective date that any obligation or deed-restriction had been removed. An Affordable Unit Listing of all qualifying Affordable Units as of April 30, together with the above information, shall be made available to the CFD Administrator by July 1 of each year for purposes of determining the Assigned Special Tax. A maximum of 249 Residential Units within CFD No. 5 shall be classified as Affordable Units.

"Annual Special Tax" means the Special Tax actually levied in any Fiscal Year on any Assessor's Parcel.

"Anticipated Land Use" refers to the location, designation and land use classification specified in the approved tentative subdivision maps for property and the West Roseville Specific Plan (as amended) which are on file with the City.

"Assessor" means the Assessor of the County of Placer.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the Assessor designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means the number assigned to an Assessor's Parcel by the County for purposes of identification.

"Assigned Special Tax" means the Special Tax of that name described in Section 3.A below.

"Backup Special Tax" means the Special Tax of that name assigned to each Assessor's Parcel on an annual basis as shown in Section 3.B below.

"Bonds" means any bonds or other Debt of CFD No. 5, whether in one or more series, secured by the levy of Special Taxes.

"Building Permit" means a building permit for construction of a Residential Unit within CFD No. 5 issued by the City.

"Calendar Year" means the period commencing January 1 of any year and ending the following December 31.

"CFD Administrator" means an authorized representative of the City, or designee thereof, responsible for determining the Special Tax Requirement, for preparing the Annual Special Tax roll and/or calculating the Backup Special Tax.

"CFD No. 5" means the City of Roseville Fiddymont Ranch Community Facilities District No. 5 (Public Facilities).

"City" means the City of Roseville, California.

"Council" means the City Council of the City acting as the legislative body of CFD No. 5 under the Act.

“County” means the County of Placer, California.

“Debt” means any binding obligation to pay or repay a sum of money, including obligations in the form of bonds, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts.

“Debt Service” means for each Fiscal Year, the total amount of principal and interest payable on any Outstanding Bonds during the Calendar Year commencing on January 1 of such Fiscal Year.

“Developed Property” means, in any Fiscal Year, the following:

- For Single Family Detached Property, all Parcels for which a Final Map was recorded prior to May 1 of the preceding Fiscal Year
- For Single Family Attached Property, all Parcels for which use permits or building permits for new construction of a residential structure were issued prior to May 1 of the preceding Fiscal Year
- For Multi-Family Property, all Parcels for which use permits or building permits for new construction of a building were issued prior to May 1 of the preceding Fiscal Year
- For Non-Residential Property, all Parcels for which building permits for new construction of a building were issued prior to May 1 of the preceding Fiscal Year

“Exempt Property” means for each Fiscal Year, all Assessor’s Parcels designated as being exempt from Special Taxes pursuant to Section 8 below.

“Final Map” means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 4285 that creates individual lots for which Building Permits may be issued without further subdivision.

“Fiscal Year” means the period starting on July 1 and ending the following June 30.

“High Density Residential” means an Assessor’s Parcel of Residential Property with an Anticipated Land Use designation of High Density Residential (HDR) in the current West Roseville Specific Plan.

“Indenture” means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Land Use Class” means any of the classes listed in Table 1 under Section 3 below.

“Lot Square Footage” means all of the square footage of a Lot or Assessor’s Parcel reflected on a Final Map, Assessor’s Parcel Map or other document.

“Low Density Residential Property” means an Assessor’s Parcel of Residential Property with an Anticipated Land Use designation of Low Density Residential (LDR) in the current West Roseville Specific Plan.

“Maximum Special Tax” means for each Assessor’s Parcel, the amount determined in accordance with Section 3.C below.

“Medium Density Residential Property” means an Assessor’s Parcel of Residential Property with an Anticipated Land Use designation of Medium Density Residential (MDR) in the current West Roseville Specific Plan.

“Multi-Family Property” means, in any Fiscal Year, all Parcels in CFD No. 5 for which a building permit was issued or may be issued for the construction of a residential structure with multiple units that share common walls, generally all of which are offered for rent to the general public.

“Non-Residential Property” means, in any Fiscal Year, all Parcels in CFD No. 5 for which a building permit was issued or may be issued for the construction of a non-residential structure which are not Single Family Attached Property, Single Family Detached Property, Multi-Family Property, Public Property, Property Owner Association Property or Exempt Property.

“Outstanding Bonds” means all Bonds, which are deemed to be outstanding under the Indenture.

“Planning Area” means the area designated on Attachment 1 and in the tentative subdivision maps for the property within CFD No. 5 on file with the City.

“Prepayment Amount” means the amount required to prepay the Annual Special Tax obligation in full or in part for an Assessor’s Parcel as described in Section 6.A and 6.B, respectively, below.

“Property Owner Association Property” means any Assessor’s Parcel within the boundaries of CFD No. 5 owned in fee by a property owner association, including any master or sub-association.

“Proportionately” or “Proportionate” means for Developed Property, that the ratio of the actual Special Tax levy to the applicable Assigned Special Tax or Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property. For Undeveloped Property, “Proportionately” means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Undeveloped Property. **“Proportionately”** may similarly be applied to other categories of Taxable Property as demonstrated in Section 4 below.

“Provisional Property” means all Assessor’s Parcels of Public Property, Property Owner Association Property or property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the total Maximum Special Tax or the Backup Special Tax for CFD No. 5.

“Public Property” means any property within the boundaries of CFD No. 5, which is owned by, or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency; provided however that any property owned by a public agency and leased to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

“Residential Property” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued or may be issued for the purpose of constructing one or more Residential Units.

“Residential Unit” means each separate residential dwelling unit that comprises an independent facility capable of conveyance or rental, separate from adjacent residential dwelling units.

“Single Family Attached Property” means, in any Fiscal Year, all Assessor’s Parcels in CFD No. 5 for which a building permit was issued or may be issued for construction of a residential structure consisting of two or more Residential Units that share common walls and are offered as for-sale Residential Units, including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351.

“Single Family Detached Property” means, in any Fiscal Year, all Assessor’s Parcels in CFD No. 5 for which a building permit was issued or may be issued for construction of a Residential Unit that does not share a common wall with another Residential Unit.

“Special Tax” means any special tax levied within CFD No. 5 pursuant to the Act and this Rate and Method of Apportionment of Special Tax.

“Special Tax Obligation” means the total obligation of an Assessor’s Parcel of Taxable Property to pay the Special Tax for the remaining life of CFD No. 5.

“Special Tax Requirement” means that amount required in any Fiscal Year to: (i) pay regularly scheduled Debt Service on all Outstanding Bonds; (ii) pay periodic costs on the Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on the Outstanding Bonds; (iii) pay Administrative Fees and Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) accumulate funds to pay directly for acquisition or construction of facilities provided that the inclusion of such amount does not cause an increase in the Special Tax to be levied on Undeveloped Property; and (vi) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year (subject to limits specified in Section 4); less (vii) a credit for funds available to reduce the Annual Special Tax levy, as determined by the CFD Administrator pursuant to the Indenture.

“State” means the State of California.

“Taxable Property” means all of the Assessor's Parcels within the boundaries of CFD No. 5, which are not exempt from the levy of the Special Tax pursuant to law or Section 8 below.

“Trustee” means the trustee or fiscal agent under the Indenture.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Provisional Property.

2. LAND USE CLASSIFICATION

Each Fiscal Year, beginning with Fiscal Year 2016-17, each Assessor’s Parcel within CFD No. 5 shall be classified as Taxable Property or Exempt Property. In addition, all Taxable Property shall further be classified as Developed Property, Undeveloped Property or Provisional Property, and

all such Taxable Property shall be subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment of Special Tax determined pursuant to Sections 3 and 4 below. Furthermore, each Assessor's Parcel of Developed Property shall be classified according to its applicable Land Use Class based on its Lot Square Footage and other attributes (definitions of each Land Use Class provided in Section 1 above).

3. SPECIAL TAX RATES

A. Assigned Special Tax for Developed Property

The Assigned Special Tax applicable to an Assessor's Parcel classified as Developed Property in Fiscal Year 2015-16 shall be determined pursuant to Table 1 below.

Table 1
FY 2015-16 Assigned Special Tax

Land Use Class	Assigned Special Tax
Low Density Residential	\$1,688.80 per Residential Unit
Medium Density Residential	\$1,299.08 per Residential Unit
High Density Residential	\$649.54 per Residential Unit
Affordable Units	\$324.77 per Residential Unit
Non-Residential	\$6,495.39 per Acre

On July 1 of each Fiscal Year commencing with Fiscal Year 2016-17, the Assigned Special Tax shall increase by an amount equal to two percent (2%) of the Assigned Special Tax in effect for the prior Fiscal Year.

B. Backup Special Tax

CFD No. 5 is divided into Planning Areas. The geographic description of each Planning Area is based on the planning area designation of the same name. The planning area designations may be found in the Tentative Subdivision Maps for Fiddymont Ranch Phase 3 that are on file with the City and incorporated herein by reference. The Planning Areas are also referenced on the Land Use Diagram, which is included as Attachment 1.

Commencing in Fiscal Year 2015-16, the CFD Administrator will assign a Backup Special Tax to all Assessor's Parcels within CFD No. 5 based on the Acreage of the Assessor's Parcel and the applicable Backup Special Tax Rate described in Table 2 below.

Table 2
FY 2015-16 Backup Special Tax

Planning Area	FY 2015-16 Assessor's Parcel Number	Backup Special Tax per Acre
F-6A1	492-010-033	8,781
F-6A2	492-010-033	\$11,386
F-6B	492-010-033	\$8,526
F-6C1	492-010-033	\$14,875
F-6C2	492-010-033	\$17,641
F-6D	492-010-033	\$6,821
F-7A	492-010-057	\$11,457
F-7B	492-010-057	\$10,997
F-8A	492-010-057	\$15,417
F-8B	492-010-057	\$15,864
F-8C	492-010-057	\$10,213
F-8D	492-010-057	\$6,194
F-9B	492-010-057	\$8,804
F-9C	492-010-057	\$8,528
F-9D	492-010-057	\$5,590
F-10A	492-010-033	\$7,384
F-10B	492-010-033	\$9,929
F-10C	492-010-033	\$7,129
F-11A1	492-010-057	\$9,493
F-11A2	492-010-057	\$11,605
F-11A3	492-010-057	\$10,679
F-11B	492-010-057	\$13,758
F-12	492-010-057	\$9,954
F-13A1	492-010-033	\$8,085
F-13A2	492-010-033	\$7,300
F-13B1	492-010-033	\$9,621
F-13B2	492-010-033	\$9,125
F-13B3	492-010-033	\$8,115

On July 1 of each Fiscal Year commencing with Fiscal Year 2016-17, the Backup Special Tax rates in Table 2 above shall increase by an amount equal to two percent (2%) of the rates in effect for the prior Fiscal Year.

C. Maximum Special Tax for Developed Property

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property in any Fiscal Year shall be the amount determined by the greater of (i) the application of the Assigned Special Tax set forth in Section 3.A or (ii) the application of the Backup Special Tax set forth in Section 3.B.

Notwithstanding the above, for any Fiscal Year in which all Taxable Property within a Planning Area is classified as Developed Property and the CFD Administrator has determined that the total Assigned Special Tax generated by the Developed Property is greater than or equal to the total Assigned Special Tax generated by the Anticipated Land Use for that Planning Area, the Maximum Special Tax for parcels within such Planning Area shall be equal to the Assigned Special Tax.

D. Maximum Special Tax for Undeveloped Property and Provisional Property

The Maximum Special Tax for Provisional Property and Undeveloped Property in any Fiscal Year shall be equal to the Backup Special Tax.

4. METHOD OF APPORTIONMENT

Commencing with Fiscal Year 2016-2017 and for each subsequent Fiscal Year, the CFD Administrator shall levy the Annual Special Tax on all Taxable Property within CFD No. 5 until the amount of Annual Special Tax equals the Special tax Requirement in accordance with the following steps:

- Step One: The Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Annual Special Tax rate as needed to satisfy the Special Tax Requirement.
- Step Two: If additional moneys are needed to satisfy the Special Tax Requirement after the first step has been completed, the Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.
- Step Three: If the sum of the amounts collected in steps one and two is insufficient to satisfy the Special Tax Requirement, then the Annual Special Tax on each Assessor's Parcel of Developed Property shall be increased Proportionately from the Assigned Special Tax up to 100% of the Maximum Special Tax as needed to satisfy the Special Tax Requirement.
- Step Four: If additional moneys are needed to satisfy the Special Tax Requirement after the first three steps have been completed, the Annual Special Tax shall be

levied Proportionately on each Assessor's Parcel of Provisional Property at up to 100% of the Maximum Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

Under no circumstances will the Annual Special Tax levied against any Assessor's Parcel used as a private residence be increased as a consequence of delinquency or default by the owner of any other Assessor's Parcel or Assessor's Parcels by more than ten percent (10%) of the Special Tax that would be levied in that Fiscal Year, if there were no delinquencies, pursuant to California Government Code Section 53321(d), as in effect on the date of formation of CFD No. 5.

5. COLLECTION OF SPECIAL TAXES

Collection of the Annual Special Tax shall be made by the County in the same manner as ordinary ad valorem property taxes are collected and the Annual Special Tax shall be subject to the same penalties and the same lien priority in the case of delinquency as ad valorem taxes provided, however, that the Council may provide for (i) other means of collecting the Special Tax, including direct billings thereof to the property owners, and (ii) judicial foreclosure of delinquent Annual Special Taxes.

6. PREPAYMENT OF SPECIAL TAX OBLIGATION

A. Prepayment in Full

Property owners may prepay and permanently satisfy the Special Tax Obligation by a cash settlement with the City as permitted under Government Code Section 53344. The following definitions apply to this Section 6:

"CFD Public Facilities Costs" means \$47,280,000 in Fiscal Year 2015-16 dollars, which shall increase by 2% on July 1, 2016, and on each July 1 thereafter, or such lower number as (i) shall be determined by the CFD Administrator as sufficient to acquire or construct the facilities to be financed under the Act and financing program for CFD No. 5, or (ii) shall be determined by the Council concurrently with a covenant that it will not issue any more Bonds (except refunding bonds).

"Construction Fund" means the fund (regardless of its name) established pursuant to the Indenture to hold funds, which are currently available for expenditure to acquire or construct the facilities or pay fees.

"Future Facilities Costs" means the CFD Public Facilities Costs minus the construction funds provided by all Previously Issued Bonds and any facilities costs funded directly from Special Tax proceeds.

"Outstanding Bonds" means all Previously Issued Bonds, which remain outstanding as of the first interest and/or principal payment date following the current Fiscal Year excluding Bonds to be redeemed at a later date with proceeds of prior Special Tax prepayments.

“Previously Issued Bonds” means all Bonds that have been issued prior to the date of prepayment.

The Special Tax Obligation applicable to an Assessor’s Parcel of Developed Property, or Undeveloped Property for which a Final Map has been recorded may be prepaid and the obligation to pay the Special Tax for such Assessor’s Parcel permanently satisfied as described herein, provided that a prepayment may be made with respect to a particular Assessor’s Parcel only if there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel eligible to prepay the Special Tax Obligation shall provide the CFD Administrator with written notice of intent to prepay the identified parcel(s), and designate or identify the company or agency that will be acting as the escrow agent, if any. The CFD Administrator may charge a reasonable fee for providing this service, which shall be paid at the time of the request, and shall provide the owner with a statement of the Prepayment Amount for such Assessor’s Parcel within thirty (30) days of the request., Prepayment by the owner must be made at least 60 days prior to any redemption date for the CFD No. 5 Bonds to be redeemed with the proceeds of such prepaid Special Taxes, unless a shorter period is acceptable to the Trustee and the City.

The Prepayment Amount (defined below) shall be calculated for each applicable Assessor’s Parcel or group of Assessor’s Parcels as summarized below (capitalized terms as defined below):

Bond Redemption Amount
plus Redemption Premium
plus Future Facilities Prepayment Amount
plus Defeasance Amount
plus Prepayment Administrative Fees and Expenses
less Reserve Fund Credit
less Capitalized Interest Credit
Total: equals Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount (defined below) shall be calculated as follows:

Step No.:

1. Confirm that no Special Tax delinquencies apply to such Assessor’s Parcel.
2. For Assessor’s Parcels of Developed Property, determine the Maximum Special Tax. For Assessor’s Parcels of Undeveloped Property for which a Final Map has been recorded, compute the Maximum Special Tax for that Assessor’s Parcel as though it was already designated as Developed Property, based upon the proposed land use for that Assessor’s Parcel.

3. Divide the Maximum Special Tax computed pursuant to paragraph 2 by the total expected Maximum Special Tax revenue for CFD No. 5 assuming all Final Maps have been recorded within CFD No. 5 in accordance with the approved tentative subdivision maps on file with the City, excluding any Assessor's Parcels for which the Special Tax Obligation has been previously prepaid.
4. Multiply the quotient computed pursuant to paragraph 3 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid for all applicable parcels (the "Bond Redemption Amount") This amount may be increased to satisfy the debt service coverage limitations of this section.
5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (expressed as a percentage), if any, on the Outstanding Bonds to be redeemed at the first available call date (the "Redemption Premium").
6. Compute the Future Facilities Costs.
7. Multiply the quotient computed pursuant to paragraph 3 by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Prepayment Amount").
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the expected redemption date for the Outstanding Bonds which, depending on the Indenture, may be as early as the next interest payment date.
9. Compute the amount the CFD Administrator reasonably expects to derive from the reinvestment of the Prepayment Amount less the Future Facilities Prepayment Amount and the Prepayment Administrative Fees from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.
10. Subtract the amount computed in paragraph 9 from the amount computed in paragraph 8 (the "Defeasance Amount").
11. Calculate the administrative fees and expenses of CFD No. 5, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming Debt of CFD No. 5, and the costs of recording any notices to evidence the prepayment and the redemption, less any prepaid fees (the "Prepayment Administrative Fees").
12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment calculation date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "Reserve Fund Credit"). No Reserve Fund Credit shall be granted if, after the Prepayment Amount is calculated, reserve funds are below 100% of the reserve requirement.
13. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed

pursuant to paragraph 3 by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the "Capitalized Interest Credit").

14. The amount to prepay the Special Tax Obligation is equal to the sum of the amounts computed pursuant to paragraphs 4, 5, 7, 10, and 11, less the amounts computed pursuant to paragraphs 12 and 13 (the "Prepayment Amount").

15. From the Prepayment Amount, the sum of the amounts computed pursuant to paragraphs 4, 5, and 10, less the amounts computed pursuant to paragraphs 12 and 13 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make Debt Service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Improvement Fund (as defined in the Indenture). The amount computed pursuant to paragraph 11 shall be retained by CFD No. 5.

The Prepayment Amount may be sufficient to redeem an amount other than a \$5,000 increment of CFD No. 5 Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to redeem CFD No. 5 Bonds to be used with the next prepayment of CFD No. 5 Bonds.

The CFD Administrator will confirm that all previously levied Special Taxes have been paid in full. With respect to any Assessor's Parcel for which the Special Tax Obligation is prepaid in full, once the CFD Administrator has confirmed that all previously levied Special Taxes have been paid, the Council shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of the Special Tax and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of the owner of such Assessor's Parcel to pay the Special Tax shall cease.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the aggregate amount of Maximum Special Taxes less Priority Administrative Expenses (as defined in the Indenture) that may be levied on Taxable Property, respectively, after the proposed prepayment is at least 1.1 times the Debt Service on all Outstanding Bonds in each Fiscal Year.

B. Partial Prepayment

The Special Tax on an Assessor's Parcel of Developed Property or Undeveloped Property for which a Final Map has been recorded may be partially prepaid. The amount of the prepayment shall be calculated as in Section 6.A.; except that a partial prepayment shall be calculated according to the following formula:

$$PP = (PE - A) \times F + A$$

These terms have the following meaning:

PP = the partial prepayment

PE = the Prepayment Amount calculated according to Section 6.A

F = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax Obligation

A = the Prepayment Administrative Fees and Expenses from Section 6.A

The owner of any Assessor's Parcel who desires such partial prepayment shall notify the CFD Administrator of (i) such owner's intent to partially prepay the Special Tax Obligation, (ii) the percentage by which the Special Tax Obligation shall be prepaid, and (iii) the company or agency that will be acting as the escrow agent, if any. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax Obligation for an Assessor's Parcel within sixty (60) days of the request and may charge a reasonable fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section 6.A., and (ii) indicate in the records of CFD No. 5 that there has been a partial prepayment of the Special Tax Obligation and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the aggregate amount of Maximum Special Taxes less Administrative Expenses that may be levied on Taxable Property, respectively, after the proposed partial prepayment is at least 1.1 times the Debt Service on all Outstanding Bonds in each Fiscal Year.

7. TERM OF SPECIAL TAX

The Special Tax shall be levied as long as necessary to meet the Special Tax Requirement for a period not to exceed fifty (50) Fiscal Years commencing with Fiscal Year 2016-17 (except that a Special Tax that was lawfully in or before such Fiscal Year and that remains delinquent may be collected in subsequent years), provided however that the Special Tax will cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined that all CFD No. 5 obligations have been satisfied.

8. EXEMPTIONS

Notwithstanding any other provision of this RMA, no Special Tax shall be levied on an Assessor's Parcel of Public Property, except the following: (i) an Assessor's Parcel of Public Property within CFD No. 5 that is leased to a private entity and subject to the levy of the Special Tax pursuant to Section 53340.1 of the Act; or (ii) an Assessor's Parcel of Taxable Property within CFD No. 5 that is acquired by a public agency following the formation of CFD No. 5 (which will remain subject to the applicable Special Tax unless the Special Tax obligation is satisfied pursuant to Section 53317.5 of the Act).

If an Assessor's Parcel of Public Property, or portion thereof, that is an Exempt Property (e.g. a school-owned parcel at the time of formation of CFD No. 5) is transferred to private ownership and an Assessor's Parcel, or portion thereof, that is Taxable Property becomes Public Property instead, then the parcel, or portion thereof, that was formerly Public Property and Exempt Property shall become Taxable Property and classified according to its use and the formerly Taxable Property shall become Exempt Property. This trading of an Assessor's Parcel from Taxable Property to Exempt Property will be permitted, without Resolution or Ordinance of the Council, to the extent that the transfer is agreed to by the owners of the Assessor's Parcels involved in the transfer and the City, and does not reduce the total aggregate annual Maximum Special Tax for CFD No. 5.

In addition to the exemptions described above, for each Fiscal Year and for each Planning Area, the CFD Administrator shall classify Assessor's Parcels of the following uses as Exempt Property sequentially and in the following order of priority: (i) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (ii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, and (iii) Assessor's Parcels of Property Owner Association Property; provided, however, that no such classification would reduce the Acreage of Taxable Property within each Planning Area below the expected Acreage of Taxable Property shown in Table 3 below, except that Acreage of Taxable Property eliminated from one Planning Area may be moved to another Planning Area to the extent that the transfer is agreed to by the owners of the parcels involved.

Any such Assessor's Parcel of Public Property, Property Owner Association Property or other property that would otherwise be exempt from the Special Tax but upon which a Special Tax shall be levied in accordance with this Section 8 shall be classified as Provisional Property and taxed in accordance with its use.

Table 3
Expected Taxable Acreage

Planning Area	FY 2015-16 Assessor's Parcel Number	Taxable Acreage
F-6A1	492-010-033	18.58
F-6A2	492-010-033	13.55
F-6B	492-010-033	7.80
F-6C1	492-010-033	12.38
F-6C2	492-010-033	13.3
F-6D	492-010-033	4.84
F-7A	492-010-057	10.37
F-7B	492-010-057	10.32
F-8A	492-010-057	11.06
F-8B	492-010-057	10.92
F-8C	492-010-057	15.28
F-8D	492-010-057	10.88
F-9B	492-010-057	14.10
F-9C	492-010-057	17.26
F-9D	492-010-057	12.69
F-10A	492-010-033	29.30
F-10B	492-010-033	20.54
F-10C	492-010-033	19.90
F-11A1	492-010-057	8.78
F-11A2	492-010-057	8.71
F-11A3	492-010-057	11.79
F-11B	492-010-057	15.07
F-12	492-010-057	17.28
F-13A1	492-010-033	9.87
F-13A2	492-010-033	11.66
F-13B1	492-010-033	13.64
F-13B2	492-010-033	8.94
F-13B3	492-010-033	8.96

9. INTERPRETATION, APPLICATION AND APPEAL OF SPECIAL TAX FORMULA AND PROCEDURES

Any taxpayer who feels the amount of the Special Tax assigned to a Parcel is in error may file a notice with the Administrator appealing the levy of the Special Tax. The Administrator then will promptly review the appeal and, if necessary, meet with the applicant. If the Administrator verifies that the tax should be modified or changed, the Special Tax levy will be corrected and, if applicable in any case, a credit or refund will be granted.

Interpretations may be made by the City, without Resolution or Ordinance of the Council, for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties, or any definition applicable to the CFD.

Without Council approval, the Administrator may make minor, non-substantive administrative and technical changes to the provisions of this document that do not materially affect the rate, method of apportionment, and manner of collection of the Special Tax for purposes of administrative efficiency or convenience or to comply with new applicable federal, state, or local law.

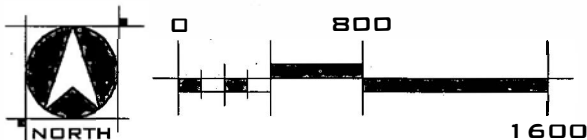
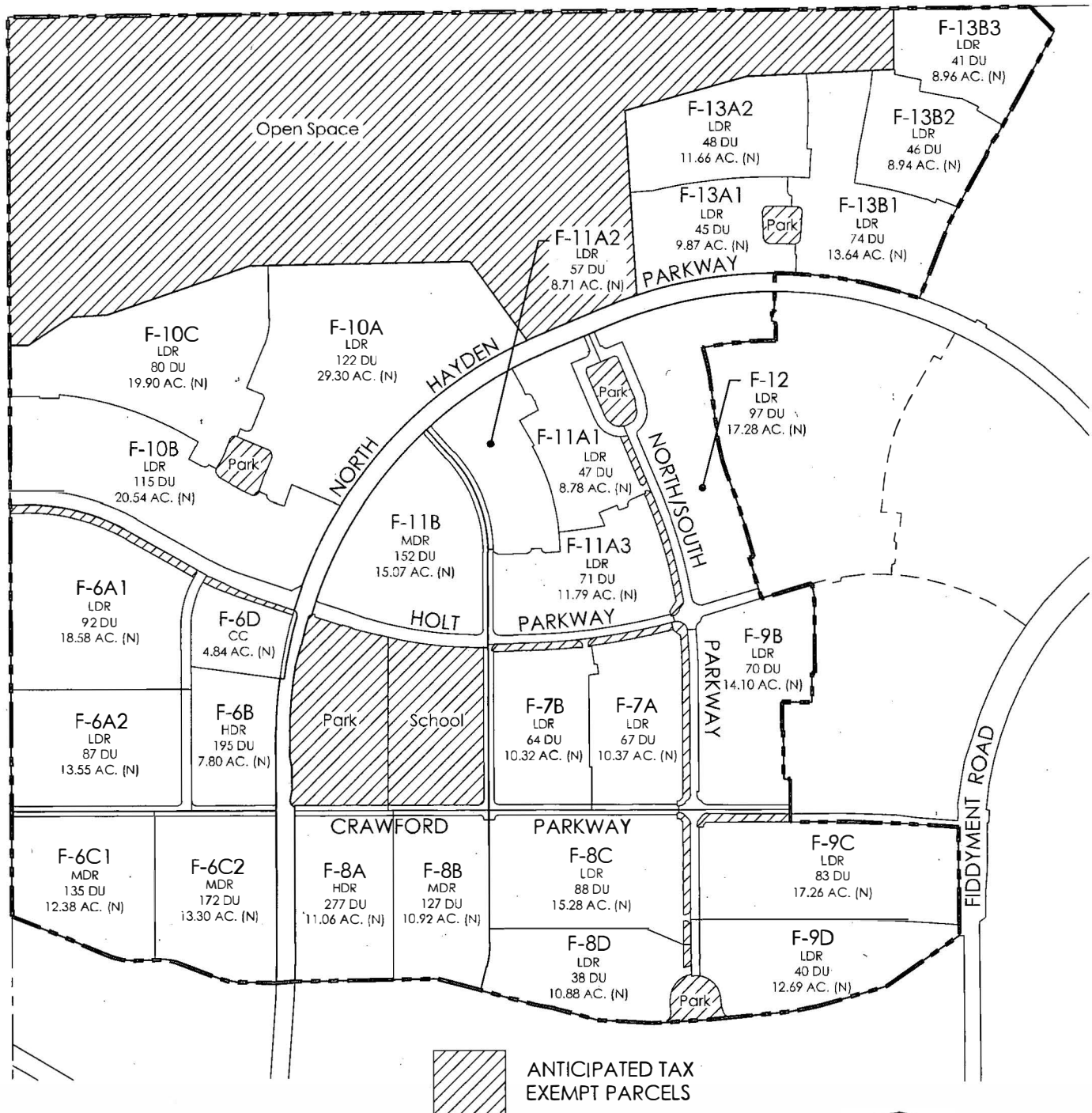
The City, upon request of an owner of land within the CFD which is not Developed Property, may also amend this RMA to reallocate the Special Tax applicable to such owner's land in a manner acceptable to the City, without Resolution or Ordinance of the Council, upon the affirmative vote of such owner and without the vote of owners of any other land within the CFD, provided such amendment (i) only affects the such owner's land, (ii) does not reduce the total annual Maximum Special Tax revenue for the CFD, and (iii) provides for a Special Tax distribution upon development of such land which is reasonably proportional and consistent with Special Tax rates shown in Table 1 (including escalations thereto) for similar land uses and is compliant with the tax assessment loan exception contained in U.S. Treasury Regulation Section 1.141-5(d).

Attachment 1
LAND USE DIAGRAM

COMMUNITY FACILITIES DISTRICT #5 FIDDYMENT RANCH

CITY OF ROSEVILLE, CALIFORNIA

DECEMBER 2015



WOOD RODGERS
DEVELOPING INNOVATIVE DESIGN SOLUTIONS
3301 C St. Bldg. 100-B
Sacramento, CA 95816
Tel 916.341.7760
Fax 916.341.7767

APPENDIX B

THE APPRAISAL AND UPDATE TO APPRAISAL

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Appraisal of Real Property

City of Roseville Fiddymont Ranch CFD No. 5
Master Planned Community
Placer County, California 95747

Prepared For:
City of Roseville

Report Format:
Appraisal Report – Bring Forward Letter

IRR - Sacramento
File Number: 193-2019-0111



September 4, 2019

Mr. Dennis Kauffman
Chief Financial Officer
City of Roseville
311 Vernon St.
Roseville, CA 95678

SUBJECT: Market Value Appraisal – Bring Forward Letter
 City of Roseville Fiddymment Ranch CFD No. 5
 Placer County, California 95747
 IRR - Sacramento File No. 193-2019-0111

Dear Mr. Kauffman:

Integra Realty Resources – Sacramento has prepared an update to our Appraisal Report of the above-referenced property. The original Appraisal Report, dated July 12, 2019, was prepared conforming to the requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP) and the Appraisal Standards for Land Secured Financing published by the California Debt and Investment Advisory Commission (CDIAC) (2004). The original Appraisal Report provides the market values (*fee simple estate*) of certain properties within the boundaries of the City of Roseville Fiddymment Ranch CFD No. 5 (the “CFD”), under the assumptions and conditions contained in this Appraisal Report, as of June 4, 2019. This Update Appraisal Report may only be used in conjunction with the original Appraisal Report.

As an Update Appraisal Report, this document does not present a complete discussion of the data, reasoning and analyses used in the appraisal process to develop the appraiser’s opinions of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraiser’s work file.

We have been requested to ascertain, as of a current date of value (September 4, 2019), whether the market value of the appraised properties by ownership, as well as a cumulative, or aggregate, value of the properties, is not less than the value conclusions estimated as of the original date of value June 4, 2019.

As a result of our analysis, it is our opinion the cumulative, or aggregate, value, in accordance with the assumptions and conditions set forth in the attached document, as of September 4, 2019, is not less than the following:

Value Conclusions

Value Premise	Interest Appraised	Date of Value	Value Conclusion
Aggregate Value of Appraised Properties	Fee Simple	June 4, 2019	\$224,092,000
Aggregate Retail Value of 4 Existing Homes based on Assessed Value	Fee Simple	June 4, 2019	\$1,489,700
Total Aggregate Value of Appraised and Assessed Properties in the District	Fee Simple	June 4, 2019	\$225,581,700

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

None

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. It is a hypothetical condition of the Appraisal that certain proceeds from the Bonds are available to finance the completion of certain public improvements. The estimates of market value account for the impact of the Lien of the Special Taxes securing the Bonds.
-

Presented below is a summary of pertinent information pertaining to the subject properties and original appraisal:

Property Name	City of Roseville Fiddymment Ranch CFD No. 5
Address	N/O Blue Oaks Blvd., W/O Fiddymment Rd. Roseville, Placer County, California 95747
Property Type	Land - Residential Subdivision
Land Area	261.00 acres; 11,369,160 SF
Zoning Designation	RS/DS, R3, CC, P/R, Small lot residential, development standard overlay; attached housing; community commercial; park and recreation
Highest and Best Use	Near term single-family residential, commercial and multi-family development as demand warrants
Exposure Time; Marketing Period	12 months; 12 months
Effective Date of the Appraisal	June 4, 2019
Date of the Report	July 12, 2019
Property Interest Appraised	Fee Simple

Value Conclusion

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Aggregate Value of Appraised Properties	Fee Simple	June 4, 2019	\$224,092,000
Aggregate Retail Value of 4 Existing Homes based on Assessed Value	Fee Simple	June 4, 2019	\$1,489,700
Total Aggregate Value of Appraised and Assessed Properties in the District	Fee Simple	June 4, 2019	\$225,581,700

The values reported above are subject to the definitions, assumptions, and limiting conditions set forth in the accompanying report of which this summary is a part. No party other than City of Roseville and its associated finance team may use or rely on the information, opinions, and conclusions contained in the report. It is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.

Type and Definition of Value:

Market value is defined as “The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”

(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[g]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Client and Intended Users:

The client is City of Roseville. The intended users are City of Roseville and its associated finance team.

Intended Use:

The intended use of the appraisal is for bond underwriting purposes. The appraisers understand and agree that this Update Appraisal Report, and original Appraisal Report, is expected to be, and may be, utilized in the marketing of the Bonds and to satisfy certain legal requirements in connection with issuing the Bonds.

Purpose:

The purpose of this Update Appraisal Report, dated September 4, 2019, is to ascertain whether the current estimate (September 4, 2019) of cumulative, or aggregate, value of the District is not less than the value derived in the original Appraisal Report, dated July 12, 2019, with a date of value of June 4, 2019. The market value of the appraised properties, by ownership, as well as the cumulative, or aggregate, value of the appraised properties in the CFD account for the impact of the Lien of the Special Tax securing the City of Roseville Fiddymment Ranch CFD No. 5 Bonds.

Scope of Work:

In preparing this Update Appraisal Report, we analyzed market data presented in our original Appraisal Report dated July 12, 2019 (as of the June 4, 2019 date of value). In addition, we analyzed current market conditions. This Update Appraisal Report sets forth only the appraiser's conclusions. Supporting documentation is retained in the appraiser's work file.

Date of Inspection:

The subject was not re-inspected.

Current Date of Value:

September 4, 2019

Date of Report:

September 4, 2019

This Update Appraisal Report has been performed in accordance with the requirements of USPAP, the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute and

the Appraisal Standards for Land Secured Financing, published by the California Debt and Investment Advisory Commission (2004). Additionally, this valuation is offered in accordance with the limiting conditions and assumptions set forth in this Appraisal Report. The appraisers understand and agree that this Update Appraisal Report, and original Appraisal Report, is expected to be, and may be, utilized in the marketing of the Bonds and to satisfy certain legal requirements in connection with issuing the Bonds.

This Update Appraisal Report dated September 4, 2019, which contains 12 pages, must remain attached to the original appraisal dated July 12, 2019, which contains 140 pages, plus related exhibits and Addenda, in order for the value opinions set forth herein to be considered valid.

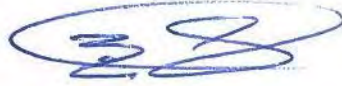
Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have prepared an appraisal of the subject property for the current client within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Kari Tatton and Eric Segal, MAI, made a personal inspection of the property that is the subject of this report. Kevin Ziegenmeyer, MAI, also personally inspected the subject.
12. No one provided significant real property appraisal assistance to the person(s) signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report, Eric Segal, MAI, and Kevin Ziegenmeyer, MAI, have completed the continuing education program for Designated Members of the Appraisal Institute.



Kevin Ziegenmeyer, MAI
Certified General Real Estate Appraiser
California Certificate # AG013567



Eric Segal, MAI
Certified General Real Estate Appraiser
California Certificate # AG026558



Kari Tatton
Certified General Real Estate Appraiser
California Certificate # 3002218

Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal

- covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
 8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
 9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
 10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
 11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
 12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
 13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
 14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
 15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
 16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
 17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic

- conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
 19. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
 20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. Integra Realty Resources – Sacramento, Integra Realty Resources, Inc., Integra Strategic Ventures, Inc. and/or any of their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
 21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
 22. Integra Realty Resources – Sacramento is not a building or environmental inspector. Integra Sacramento does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
 23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
 24. It is expressly acknowledged that in any action which may be brought against any of the Integra Parties, arising out of, relating to, or in any way pertaining to this engagement, the

- appraisal reports, and/or any other related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further acknowledged that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with intentional misconduct. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.
25. Integra Realty Resources – Sacramento, an independently owned and operated company, has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

Addendum A

Appraiser Qualifications

Appraisal of Real Property

City of Roseville Fiddymont Ranch CFD No. 5

Master Planned Community

N/O Blue Oaks Blvd., W/O Fiddymont Rd.

Roseville, Placer County, California 95747

Prepared For:

City of Roseville

Effective Date of the Appraisal:

June 4, 2019

Report Format:

Appraisal Report – Standard Format

IRR - Sacramento

File Number: 193-2019-0111





City of Roseville Fiddymment Ranch CFD No. 5
N/O Blue Oaks Blvd., W/O Fiddymment Rd.
Roseville, California



July 12, 2019

Mr. Dennis Kauffman
Chief Financial Officer
City of Roseville
311 Vernon St.
Roseville, CA 95678

SUBJECT: Market Value Appraisal
 City of Roseville Fiddymment Ranch CFD No. 5
 N/O Blue Oaks Blvd., W/O Fiddymment Rd.
 Roseville, Placer County, California 95747
 IRR - Sacramento File No. 193-2019-0111

Dear Mr. Kauffman:

Integra Realty Resources – Sacramento is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value of the fee simple interest of certain developed and undeveloped properties within the boundaries of the City of Roseville Community Facilities District No. 5 (Fiddymment Ranch). The client for the assignment is the City of Roseville, and the intended use is for bond underwriting purposes.

The Fiddymment Ranch master planned community is generally located east and west of Fiddymment Road, north and south of Blue Oaks Boulevard, in the city of Roseville. Land uses in Fiddymment Ranch include single-family and multifamily residential, community commercial, one school site, and multiple community parks.

The appraised properties represent various parcels within Fiddymment Ranch, a master planned community located within the West Roseville Specific Plan of the city of Roseville. The appraised properties consist of 301 finished residential lots, 124 homes under construction, one commercial parcel and two multifamily (high density residential) parcels. There are also 137 completed single-family homes within the boundaries of the CFD not currently assessed for an improvement value by the Placer County Assessor; as such, a not-less-than estimate of market value for the smallest floor plan constructed within each

subdivision was appraised and assigned to each respective Assessor's parcel within the CFD. While the Tax Roll provided by the Placer County Assessor's Office shows that 130 of the 137 homes are owned by merchant builders, based upon our site inspection and sales activity in the area, it is highly likely that most of these homes are in fact owned by individual homeowners.

We have been requested to provide a market value of the appraised properties by ownership and Assessor's parcel, as well as a cumulative, or aggregate, value of the properties, as of the date of value. The market value of the appraised properties, by ownership, as well as the cumulative, or aggregate, value of the appraised properties in the CFD and account for the impact of the Lien of the Special Tax securing the City of Roseville CFD No. 5 (Fiddymont Ranch) Bonds.

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP) and the Appraisal Standards for Land Secured Financing published by the California Debt and Investment Advisory Commission (2004). This document is an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the 2018-2019 edition of USPAP.

To report the assignment results, we use the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report – Standard Format. This format summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, our opinion of value is as follows:

Value Conclusions			
Value Premise	Interest Appraised	Date of Value	Value Conclusion
Aggregate Value of Appraised Properties	Fee Simple	June 4, 2019	\$224,092,000
Aggregate Retail Value of 4 Existing Homes based on Assessed Value	Fee Simple	June 4, 2019	\$1,489,700
Total Aggregate Value of Appraised and Assessed Properties in the District	Fee Simple	June 4, 2019	\$225,581,700

The value conclusions noted above are subject to the Extraordinary Assumptions, Hypothetical Conditions, General Assumptions and Limiting Conditions referenced in this report.



Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

None

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. It is a hypothetical condition of the Appraisal that certain proceeds from the Bonds are available to finance the completion of certain public improvements. The estimates of market value account for the impact of the Lien of the Special Taxes securing the Bonds.
-

This estimate of value above represents a “not-less-than” value due to the fact we were requested to provide a market value of the smallest floor plan (by project) on each single-family residential lot improved without a completed home without a complete assessed improvement value (minimum \$200,000) assigned.

The market value of the appraised properties by Assessor’s parcel can be found in the Addenda of this Appraisal Report. Any properties within the CFD not subject to the Lien of the Special Tax securing the Bonds (public and quasi-public land use sites) are not a part of this appraisal.

Please note the aggregate value noted above ***is not*** the market value of the appraised properties in bulk. As defined by The Dictionary of Real Estate Appraisal, an aggregate value is the “total of multiple market value conclusions.” For purposes of this report, market value is estimated by ownership.

The estimates of market value, by ownership, estimated herein specifically assume the appraised properties within the boundaries of the CFD are not marketed concurrently, which would suggest a market under duress.

Mr. Dennis Kauffman
City of Roseville
July 12, 2019
Page 4

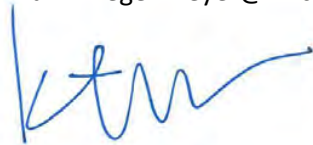
If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

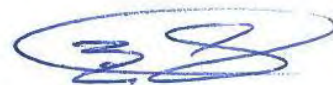
INTEGRA REALTY RESOURCES - SACRAMENTO



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Summary of Salient Facts and Conclusions

Property Name	City of Roseville Fiddymment Ranch CFD No. 5
Address	N/O Blue Oaks Blvd., W/O Fiddymment Rd. Roseville, Placer County, California 95747
Property Type	Land - Residential Subdivision
Land Area	261.00 acres; 11,369,160 SF
Zoning Designation	RS/DS, R3, CC, P/R, Small lot residential, development standard overlay; attached housing; community commercial; park and recreation
Highest and Best Use	Near term single-family residential, commercial and multi- family development as demand warrants
Exposure Time; Marketing Period	12 months; 12 months
Effective Date of the Appraisal	June 4, 2019
Date of the Report	July 12, 2019
Property Interest Appraised	Fee Simple

Value Conclusion

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Aggregate Value of Appraised Properties	Fee Simple	June 4, 2019	\$224,092,000
Aggregate Retail Value of 4 Existing Homes based on Assessed Value	Fee Simple	June 4, 2019	\$1,489,700
Total Aggregate Value of Appraised and Assessed Properties in the District	Fee Simple	June 4, 2019	\$225,581,700

The values reported above are subject to the definitions, assumptions, and limiting conditions set forth in the accompanying report of which this summary is a part. No party other than City of Roseville and its associated finance team may use or rely on the information, opinions, and conclusions contained in the report. It is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

None

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. It is a hypothetical condition of the Appraisal that certain proceeds from the Bonds are available to finance the completion of certain public improvements. The estimates of market value account for the impact of the Lien of the Special Taxes securing the Bonds.

General Information

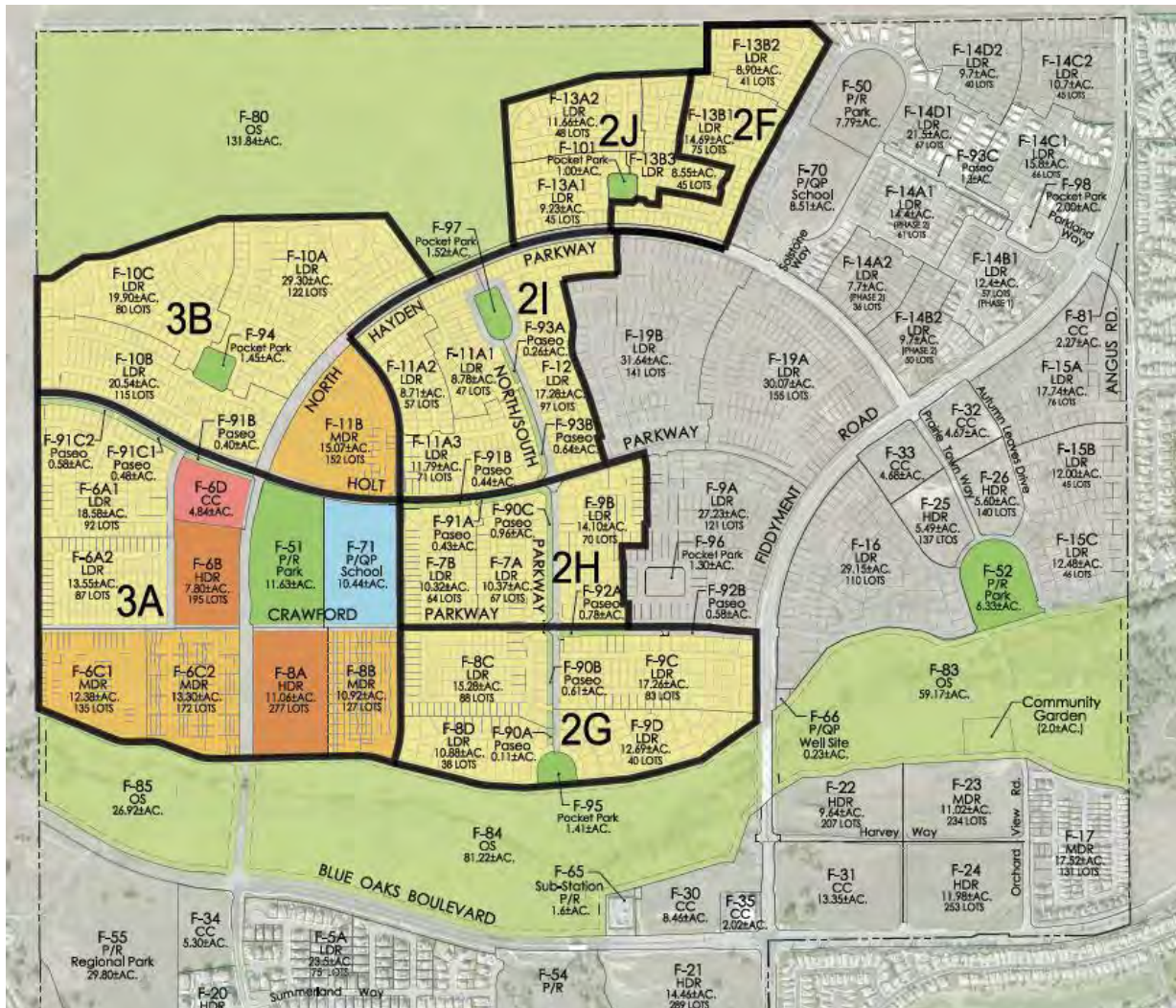
Identification of Subject

The Fiddymment Ranch master planned community is generally located east and west of Fiddymment Road, north and south of Blue Oaks Boulevard, in the city of Roseville. Land uses in Fiddymment Ranch include single-family and multifamily residential, community commercial, one school site, and multiple community parks.

The appraised properties represent various parcels within Fiddymment Ranch, a master planned community located within the West Roseville Specific Plan of the city of Roseville. The appraised properties consist of 301 finished residential lots, 124 homes under construction, one commercial parcel and two multifamily (high density residential) parcels. There are also 137 completed single-family homes within the boundaries of the CFD not currently assessed for an improvement value by the Placer County Assessor; as such, a not-less-than estimate of market value for the smallest floor plan constructed within each subdivision was appraised and assigned to each respective Assessor's parcel within the CFD. While the Tax Roll provided by the Placer County Assessor's Office shows that 130 of the 137 homes are owned by merchant builders, based upon our site inspection and sales activity in the area, it is highly likely that most of these homes are in fact owned by individual homeowners. A complete legal description of the appraised properties was not provided.

According to the 2018/2019 tax roll that was provided for use in this appraisal (and is still considered generally accurate as it pertains to the current status of Fiddymment), a total of 704 single-family detached lots have sold/closed within the boundaries of the subject property to merchant builders. Current merchant builders active within the subject boundaries include Lennar Homes, Signature Homes and JMC Homes.

A map of the included boundaries is presented as follows:

**Strengths:**

- Desirable regional location (south Placer County, Roseville)
- The housing market is in a state of expansion
- Appeal to both first time and move-up buyers
- Good condition of surrounding homes and immediate path of growth
- Good transportation linkages with proximity to State Highway 65 and Interstate 80
- Diversity of product offerings

Weaknesses:

- Some backbone and in-tract work remains to be completed
- The increase in the number of competing, active subdivisions in West Roseville could impact overall absorption and pricing in the market in the near term

Opportunities:

- Housing shortage in the region may lead buyers to consider purchasing in the development
- Current shortage of developable lots within the region

- Threats:**
- Macroeconomic factors, and the possibility the economy becomes stagnant and the residential sector loses steam
 - Unforeseen delays

Assessor's Parcel Number(s)

The appraised properties consist of 1,492 unimproved residential lots, 301 finished residential lots, 124 partially completed homes, one commercial parcel and two multifamily (high density residential) parcels, which are identified within the 2018/19 Tax Roll appended hereto.

Additionally, there are also 137 completed single-family homes within the boundaries of the CFD not currently assessed for a complete improvement value by the Placer County Assessor; as such, a not-less-than estimate of market value for the smallest floor plan constructed within each subdivision was appraised and assigned to each respective Assessor's parcel within the CFD.

Owner(s) of Record

A summary of the various ownership group holdings is provided in the following table.

Owners of Record							
Owner	Commercial Parcels	Multifamily Units	Finished Lots	Partially Completed		Unimproved Residential lots	Totals
				Homes	Homes*		
Individual Homeowners	--	--	--	--	7	--	7
Fiddymment 116 Lots, LLC.	--	--	59	13	33	--	105
ATC Realty One, LLC.	1	472	--	--	--	1,354	1,827
John Mourier Construction, Inc.	--	--	105	62	82	--	249
Lennar Homes of California LLC.	--	--	137	49	15	--	201
Taylor Morrison	--	--	--	--	--	138	138
Totals	1	472	301	124	137	1,492	2,527

*Completed homes without a complete assessment for structural improvements by County Assessor

It should be noted the Assessor's Office records are not current as to ownership and most of the completed homes appraised herein, with the exception of model homes, are actually currently owned by individual homeowners. The balance of the taxable properties in the CFD include 4 single family homes with a complete assessed value for both land and improvements, which are not appraised herein.

Sale History

The appraisal report has been conducted in accordance with appraisal standards and guidelines found in the Uniform Standards of Professional Appraisal Practice (USPAP) for Mass Appraisals, inasmuch this appraisal report does not provide a discussion of the sales history for each parcel appraised herein during the past three years. The scope of work outlined in this report is based on the specific intended use of this appraisal report. As will be shown and detailed herein, the appraised properties have been the subject of previous, recent and pending transactions as either improved or unimproved single-family residential lots, as well as completed single-family homes currently being marketed for sale by merchant builders within the CFD.

Pending Transactions

To the best of our knowledge, the property is not subject to an agreement of sale or an option to buy, nor is it listed for sale, as of the effective appraisal date.

Purpose of the Appraisal

The purpose of the appraisal is to develop an opinion of the market value of the fee simple interest by ownership and Assessor's parcel, and the cumulative, or aggregate value of the appraised properties comprising a portion of the City of Roseville Community Facilities Districts (CFD) No. 5 (Fiddymont Ranch), subject to the hypothetical condition that certain of the proceeds from the Bonds are available to finance the completion of additional improvements, as of the effective date of the appraisal, June 4, 2019. The date of the report is July 12, 2019. The appraisal is valid only as of the stated effective date or dates.

Definition of Market Value

Market value is defined as:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[g]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Definition of Property Rights Appraised

Fee simple estate is defined as, "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

(Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015))

Intended Use and User

The intended use of the appraisal is for bond underwriting purposes and will be included in the Preliminary Official Statement and the Official Statement used to market the bonds. The client is City of Roseville. The intended users are City of Roseville and its associated finance team. The appraisal is not intended for any other use or user. No party or parties other than City of Roseville and its associated finance team may use or rely on the information, opinions, and conclusions contained in this report.

Applicable Requirements

This appraisal is intended to conform to the requirements of the following:

- Uniform Standards of Professional Appraisal Practice (USPAP);
- Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute;
- Applicable state appraisal regulations;
- Interagency Appraisal and Evaluation Guidelines issued December 10, 2010;
- Appraisal Standards for Lan Secured Financing published by the California Debt and Investment Advisory Commission (2004).

Report Format

This report is prepared under the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report – Standard Format. This format summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions.

Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have prepared an appraisal of the subject property for the current client within the three-year period immediately preceding acceptance of this assignment.

Scope of Work

This Appraisal Report has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP). This analysis is intended to be an “appraisal assignment,” as defined by USPAP; the intention is the appraisal service be performed in such a manner that the result of the analysis, opinions, or conclusion be that of a disinterested third party.

Several legal and physical aspects of the appraised properties were researched and documented. A physical inspection of the property was completed and serves as the basis for the site description

contained in this report. The sales history was verified by consulting public records. Zoning and entitlement information was collected from the City of Roseville Planning Department. The subject's earthquake zones, flood zones and utilities were obtained from the respective agencies, and property tax information was obtained from the County of Placer Assessor's Office on-line resources.

Data relating to the subject's neighborhood and surrounding market area were analyzed and documented. This information was obtained through personal inspections of portions of the neighborhood and market area; newspaper articles; real estate conferences; and interviews with various market participants, including property owners, property managers, land brokers, developers and local government agencies.

In this appraisal we determined the highest and best use of the subject property as though vacant based on the four standard tests (legal permissibility, physical possibility, financial feasibility and maximum productivity). As will be shown in the *Highest and Best Use Analysis* section, the highest and best use of the subject property is for near term single-family residential development (production homes), as well as near-term multifamily residential development on the parcel approved for market rate units (Parcel F-8A).

The valuation began by employing the sales comparison approach and extraction technique to estimate the market value of a benchmark lot category of the low density residential (LDR) lots. In the sales comparison approach, adjustments were applied to the prices of comparable bulk lot transactions, and a market value for this benchmark lot category was concluded. Then, as a support of reasonableness, an extraction analysis was utilized, which was reconciled with the sales comparison approach conclusion. For the subject's medium density lots, the extraction technique was used as the sole basis of valuation. Next, adjustments were applied to determine values for each residential larger parcel, based upon lot size differences that exist from the benchmark larger parcels.

The sales comparison approach was also utilized to determine the value of the subject's commercial site as well as the value of Parcel F-8A, which consists solely of market rate units. With regard to the multifamily land component with income restrictions and no market-rate units (Parcel F-6B), an extraction technique was solely utilized. As will be demonstrated herein, this income-restricted multifamily parcel has no residual value.

The market value estimates for the various taxable land use components described above were then assigned to the various Assessor's parcels comprising the Appraised Properties in order to derive the values, by ownership. As the majority of the undeveloped land within the District is held by a single owner, the master developer, ATC Realty One, LLC., the market value of this ownership interest involved the subdivision development method (a type of discounted cash flow analysis), which takes into consideration the revenue and expenses (including the completion of backbone infrastructure) associated with selling off the individual larger parcels over an estimated absorption period (also incorporating an appropriate discount rate to the cash flows).

The market values estimated herein are based on a ***hypothetical condition***. USPAP defines a hypothetical condition as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for

the purpose of the analysis.” It is a hypothetical condition of the Appraisal that certain of the proceeds from the Bonds are available to finance the completion of additional improvements. The estimate of market value accounts for the impact of the Lien of the Special Taxes securing the Bonds.

Research and Analysis

The type and extent of our research and analysis is detailed in individual sections of the report. This includes the steps we took to verify comparable sales, which are disclosed in the comparable sale profile sheets in the addenda to the report. Although we make an effort to confirm the arms-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

Inspection

Eric Segal, MAI, and Kari Tatton conducted an on-site inspection on June 4, 2019. Kevin Ziegenmeyer, MAI, also conducted an on-site inspection of the property.

Economic Analysis

Area Analysis – Placer County

Introduction

Placer County is part of the four-county Sacramento Metropolitan Area, along with the counties of Sacramento, Yolo and El Dorado. The county is located in the north-central part of California, approximately 420 miles north of Los Angeles, 250 miles south of Oregon, 100 miles northeast of San Francisco, 80 miles west of Lake Tahoe and 100 miles southwest of Reno. The southernmost part of Placer County consists of a valley commonly referred to as South Placer, while the remainder of the county is divided into the Gold Country, where parts of Auburn and Colfax are located, and the High Country, which encompasses Tahoe City and Kings Beach along Lake Tahoe. Placer's largest cities are Roseville, Rocklin and Lincoln. Elevations in the county range from 165 feet above sea level in Roseville to 10,000 feet above sea level in the Sierra Nevada Mountains.

Placer County is developed with a mix of urban and rural uses. The larger cities, namely Roseville and Rocklin, are mostly urban, while the smaller communities, such as Loomis and Newcastle, have remained rural. Auburn and Lincoln both exhibit a combination of urban and rural settings. However, in recent years the city of Lincoln has experienced dramatic growth and development and has become one of the fastest-growing cities in California.

Population

Placer County has experienced population growth in recent years, primarily in the southern part of the county. The main origin for in-migration to the region are the Bay Area, other parts of the Sacramento region and Southern California. The state's population data indicate a strong pattern of movement by residents from the high-cost, high-density Bay Area to inland areas in Northern California.

Following is a table depicting the population change in Placer County and its component cities over the past few years.

Population Trends							
City	2013	2014	2015	2016	2017	2018	%/Yr
Auburn	13,897	14,145	14,280	14,387	14,507	14,611	1.0%
Colfax	2,069	2,083	2,112	2,131	2,147	2,150	0.8%
Lincoln	44,795	45,748	46,537	47,245	48,028	48,591	1.7%
Loomis	6,580	6,623	6,633	6,678	6,780	6,824	0.7%
Rocklin	59,436	59,999	60,614	61,765	64,487	66,830	2.5%
Roseville	125,970	128,048	129,299	132,167	134,650	137,213	1.8%
Unincorporated	109,558	110,462	110,912	111,245	112,574	113,313	0.7%
Total	362,305	367,108	370,387	375,618	383,173	389,532	1.5%

Source: California Department of Finance

As indicated in the previous table, Placer County has experienced a strong average rate of annual growth of 1.5% over the past five years. The cities of Roseville, Rocklin and Lincoln are the fastest

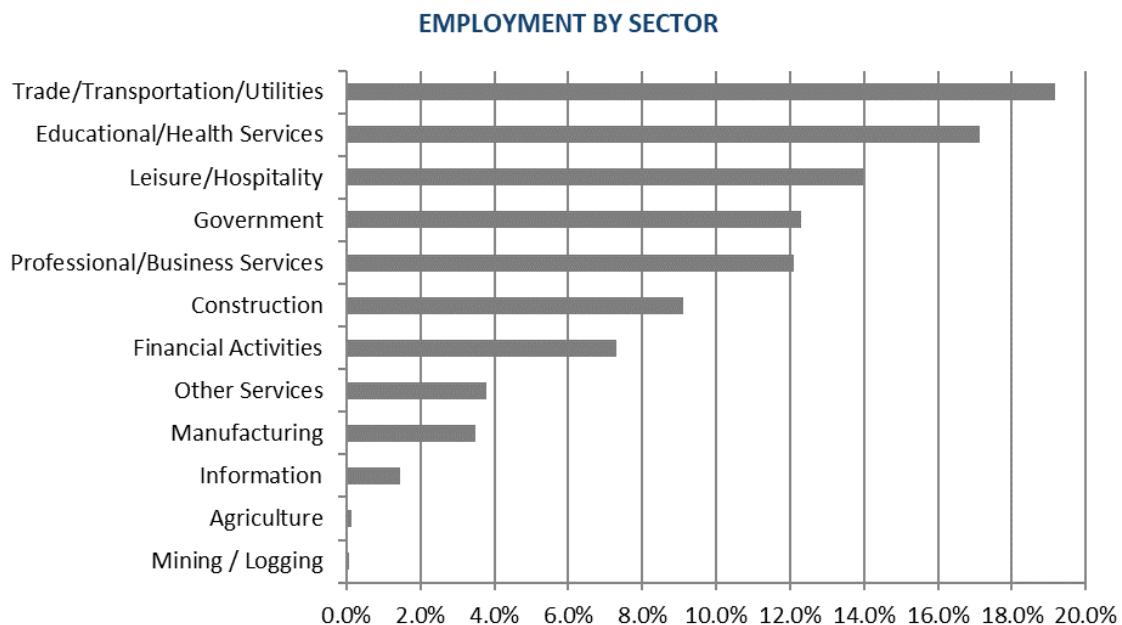
growing in the region. Loomis and the unincorporated areas have had relatively little growth. Over the past decade, Placer County has been the fastest-growing county within the four-county Sacramento MSA (which also includes Sacramento, El Dorado and Yolo Counties). It is projected this trend will continue for the near future.

Employment & Economy

The California Employment Development Department has reported the following employment data for Placer County over the past several years.

Employment Trends						
	2013	2014	2015	2016	2017	2018
Labor Force	175,800	175,500	176,500	179,800	181,700	185,200
Employment	162,300	164,500	167,600	171,700	174,700	179,400
Job Growth	3,800	2,200	3,100	4,100	3,000	4,700
Unemployment Rate	7.7%	6.3%	5.0%	4.5%	3.9%	3.1%
Source: California Employment Development Department						

Most areas within the state and nation, including Placer County, saw declining unemployment rates in 2004 through 2006, increases from 2007 to 2010, and declines during 2011-2018. Placer County has a diverse economy, with no one sector accounting for a majority of the employment in the region. The following chart indicates the percentage of total employment for each sector within the county.



Source: California Employment Development Department

The area's largest employment sectors are Trade/Transportation/Utilities, which includes retail and wholesale trade (19.2% of total employment); Educational and Health Services (17.1%); and Leisure and Hospitality (14.0%).

Although many residents commute to employment centers in Sacramento, Placer County offers thousands of jobs and attracts workers from the local area as well as "reverse commuters" from Sacramento and residents of outlying areas such as Marysville/Yuba City to the north. The largest employers in the county, according to the Sacramento Business Journal, are highlighted as follows:

Largest Employers			
	Employer	Industry	Employees
1	Kaiser Permanente	Healthcare	5,835
2	Sutter Health	Healthcare	3,386
3	Squaw Valley Alpine Meadows	Leisure/Hospitality	2,600
4	Thunder Valley Casino Resort	Leisure/Hospitality	2,114
5	Hewlett Packard Enterprise Co.	Electronics/Technology Manufacturing	2,000
6	PRIDE Industries	Professional/Business Services	1,747
7	Roseville City School District	Education	1,486
8	City of Roseville	Government	1,148
9	Safeway	Grocery Store	1,137
10	Adventist Health	Healthcare	1,008

Source: Sacramento Business Journal, The List: Employers - Placer County, December 2018

Household Income

Median household income represents a broad statistical measure of well-being or standard of living in a community. The median income level divides households into two equal segments with one half of households earning less than the median and the other half earning more. The median income is considered to be a better indicator than the average household income as it is not dramatically affected by unusually high or low values. The U.S. Census Bureau estimates a median household income of \$80,488 for Placer County in the year 2017 (most recent data available), which was higher than the state of California's median income of \$67,169.

Transportation

Interstate 80, State Highway 65 and State Highway 193 are the major routes traversing the region. Major urban arterials in the southern part of the county include Douglas Boulevard, Sierra College Boulevard, Roseville Parkway, Pleasant Grove Boulevard, Sunrise Avenue, Auburn-Folsom Road and Foothills Boulevard.

In addition to roadways within the county limits, south Placer County enjoys proximity to many of the Sacramento region's freeways that provide access to the San Francisco Bay Area to the west, Central and Southern California to the south, Northern California and Oregon to the north, and Nevada to the east. Sacramento International Airport is situated about 10 miles west of the county border. The county is also home to a couple of small private airports. The region has good railroad service, including the transcontinental Union Pacific Railroad and Amtrak. The Capitol Corridor system

provides high-speed commuter rail service from Roseville to San Jose and Placer County Transit provides seven fixed routes servicing areas from Colfax down to Watt Avenue in Sacramento.

Recreation & Community Services

Placer County has ample community services and recreational opportunities. The County, cities and various park districts operate numerous public parks, golf courses, aquatic centers, libraries and community centers. Many private golf courses are located in the region, and several ski resorts are located in the mountains. Within the county lies a portion of the Folsom Lake State Recreation Area, a boating, fishing, and swimming retreat.

In terms of higher education, Placer County is home to Sierra College in Rocklin, a two-year community college offering a wide range of day and evening classes serving over 25,000 students. Sierra College also has an extension campus located in the Vernon District in Roseville and two additional campuses – the Nevada County and Tahoe-Truckee campuses. In 2004, William Jessup University, a private Christian college, moved from San Jose to a new facility in Rocklin. Additional university campuses within the county include Brandman University, National University and University of Phoenix, all located in Roseville.

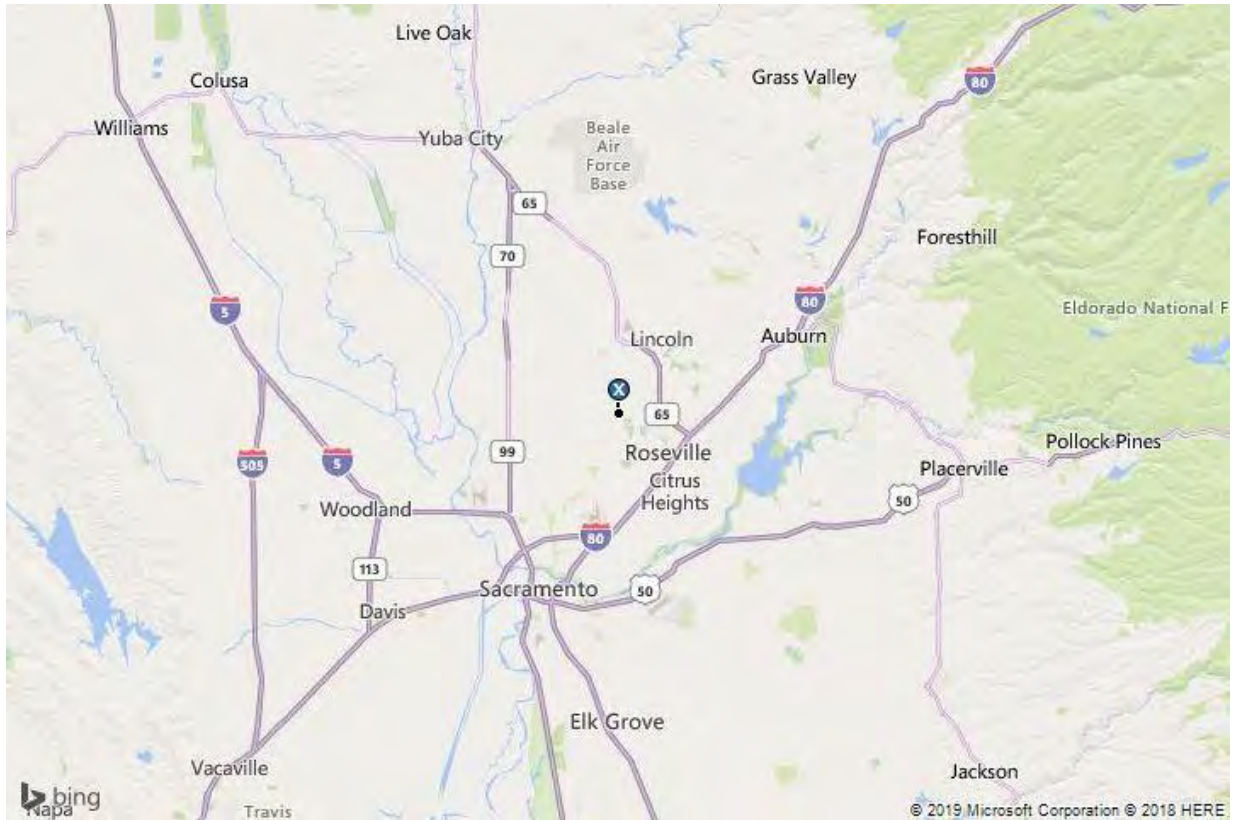
The region offers good health services, including hospitals and medical office facilities. Two hospitals are located in Roseville – the Sutter Roseville Medical Center and Kaiser Permanente. In addition to the hospital, construction is in progress for a new state-of-the-art, 210,000 square foot Kaiser Permanente medical campus to replace their existing campus on Riverside Avenue and is expected to open to patients in the Fall 2019. The city of Auburn is home to Sutter Auburn Faith Hospital, Sutter Medical Center-Auburn, UC Davis Medical Center, Foundation Medical Clinic and Heritage Medical Center Complex. The city of Lincoln contains medical offices/clinics operated by Sutter, UC Davis, Kaiser and Catholic Healthcare West. In addition to these institutional health care facilities, the county is home to a large and growing number of private physicians, dentists, clinics and other medical specialists.

The city of Roseville is south Placer's hub for fine dining and entertainment. Several upscale restaurants are situated along Eureka Road, Roseville Parkway and Galleria Boulevard. Roseville and Rocklin both offer two multi-screen movie theatres, and Auburn has one theatre. Shopping centers are widespread, the largest of which are the Galleria at Roseville, a regional shopping mall that opened in 2000 and was expanded in 2008-2009, and the Fountains at Roseville, an outdoor lifestyle center that opened in June 2008.

Conclusion

Placer County encompasses a diverse area, with growing cities, small towns and rural areas, and an abundance of open space. The cities of Roseville, Rocklin and Lincoln have experienced strong growth in population and development over the past several years. Placer County is one of the most affluent in the greater Sacramento region in terms of household income levels. The area has a number of positive attributes, including seismic stability, a well-educated work force, good transportation systems, relative affordability and availability of housing compared to the Bay Area, and an excellent level of community services. The long-term outlook for the region is very good.

Area Map



Surrounding Area Analysis

Boundaries

The boundaries of a neighborhood identify the physical area that influences the value of the subject property. These boundaries may coincide with observable changes in prevailing land use or occupant characteristics. Physical features such as the type of development, street patterns, terrain, vegetation and parcel size tend to identify neighborhoods. Roadways, waterways and changing elevations can also create neighborhood boundaries.

The subject property is located within the city of Roseville, Placer County, California. Specifically, the subject is situated in the West Roseville area. The subject's neighborhood boundaries can generally be described as Foothills Boulevard to the east, Baseline Road to the south, and the city limits of Roseville to the west and north.

Access and Linkages

The main surface streets in the neighborhood that provide access to Fiddymment Ranch are Fiddymment Road and Blue Oaks Boulevard. In a southerly direction, Fiddymment Road connects to Baseline Road (another thoroughfare that eventually connects with Highway 99 in a westerly direction) and continues south (when it becomes Walerga Road) to the communities of Antelope and North Highlands. In a northerly direction, Fiddymment Road connects to areas of unincorporated Placer County and the outskirts of the city of Lincoln (where it terminates at Moore Road). Blue Oaks Boulevard is an east-west major surface street that currently terminates at the western boundaries of Fiddymment Ranch, and in an easterly direction travels through West Roseville and the city of Rocklin. Blue Oaks Boulevard is also considered the primary means of access to State Highway 65, which is about 3.5 miles to the east of the subject property.

Other primary connectors in the neighborhood are Pleasant Grove Boulevard, Woodcreek Boulevard and Foothills Boulevard. State Highway 65 is a north-south route that provides access to Lincoln, Wheatland and Yuba City to the north and Interstate 80 to the south. Interstate 80 is a primary east-west corridor for the Sacramento Metropolitan Area that intersects with State Highway 65 to the east of the subject property.

Traveling east, Interstate 80 provides access to the outlying portions of Placer County and continues toward Reno, Nevada. To the west, Interstate 80 connects the subject neighborhood to Sacramento's Central Business District (via Business 80/Capital City Freeway) before continuing on toward Davis and San Francisco.

Roseville Transit provides public transportation for the area, which features fixed bus routes, commuter services and ride sharing minivans. Free transfers are also provided for the Placer County Transit and Sacramento Regional Transit.

Demographics

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

Surrounding Area Demographics					
2019 Estimates	1-Mile Radius	3-Mile Radius	5-Mile Radius	95747 (Roseville, Placer County, CA)	CA
Population 2010	6,497	43,628	114,213	52,281	348,432
Population 2019	9,573	55,338	136,948	65,115	391,827
Population 2024	10,241	59,060	146,025	69,441	413,200
Compound % Change 2010-2019	4.4%	2.7%	2.0%	2.5%	1.3%
Compound % Change 2019-2024	1.4%	1.3%	1.3%	1.3%	1.1%
Households 2010	2,788	16,134	40,830	19,057	132,627
Households 2019	3,928	20,246	48,854	23,611	150,308
Households 2024	4,218	21,578	52,089	25,167	158,984
Compound % Change 2010-2019	3.9%	2.6%	2.0%	2.4%	1.4%
Compound % Change 2019-2024	1.4%	1.3%	1.3%	1.3%	1.1%
Median Household Income 2019	\$103,995	\$111,511	\$100,801	\$111,763	\$92,577
Average Household Size	2.3	2.7	2.8	2.8	2.6
College Graduate %	43%	43%	40%	41%	38%
Median Age	46	40	38	40	43
Owner Occupied %	83%	78%	70%	78%	71%
Renter Occupied %	17%	22%	30%	22%	29%
Median Owner Occupied Housing Value	\$494,920	\$476,990	\$461,045	\$476,291	\$494,985
Median Year Structure Built	2005	2003	2001	2002	1994
Avg. Travel Time to Work in Min.	31	31	29	30	29

Source: Environics Analytics

As shown above, the current population within a 3-mile radius of the subject is 55,338, and the average household size is 2.7. Population in the area has grown since the 2010 census, and this trend is projected to continue over the next five years. Compared to the United States overall, the population within a 3-mile radius is projected to grow at a similar rate.

Median household income is \$111,511, which is similar to the household income for the United States. Residents within a 3-mile radius have a similar level of educational attainment to those of the United States, while median owner occupied home values are similar.

Land Uses

A map of land uses in the vicinity of the subject is provided as follows:



Community Uses

There are several community uses in the neighborhood, such as schools, churches, medical facilities, parks, and recreational and cultural facilities. The most prominent recreational facility in the neighborhood is Mahany Park, a regional park at the southwest quadrant of Woodcreek Oaks Boulevard and Pleasant Grove Boulevard. This facility offers a softball complex and the neighboring Roseville Aquatics Complex and Roseville Sports Center. There are several golf courses in the neighborhood, including the public Woodcreek Oaks Golf Club and Diamond Oaks Municipal Golf Course, as well as the private Sierra View Country Club and 27 holes in the Sun City Roseville development.

Woodcreek High School is located on the west line of Woodcreek Oaks Boulevard, south of Pleasant Grove Boulevard. The Placer County Fairgrounds is located at the intersection of Junction Boulevard and Washington Boulevard.

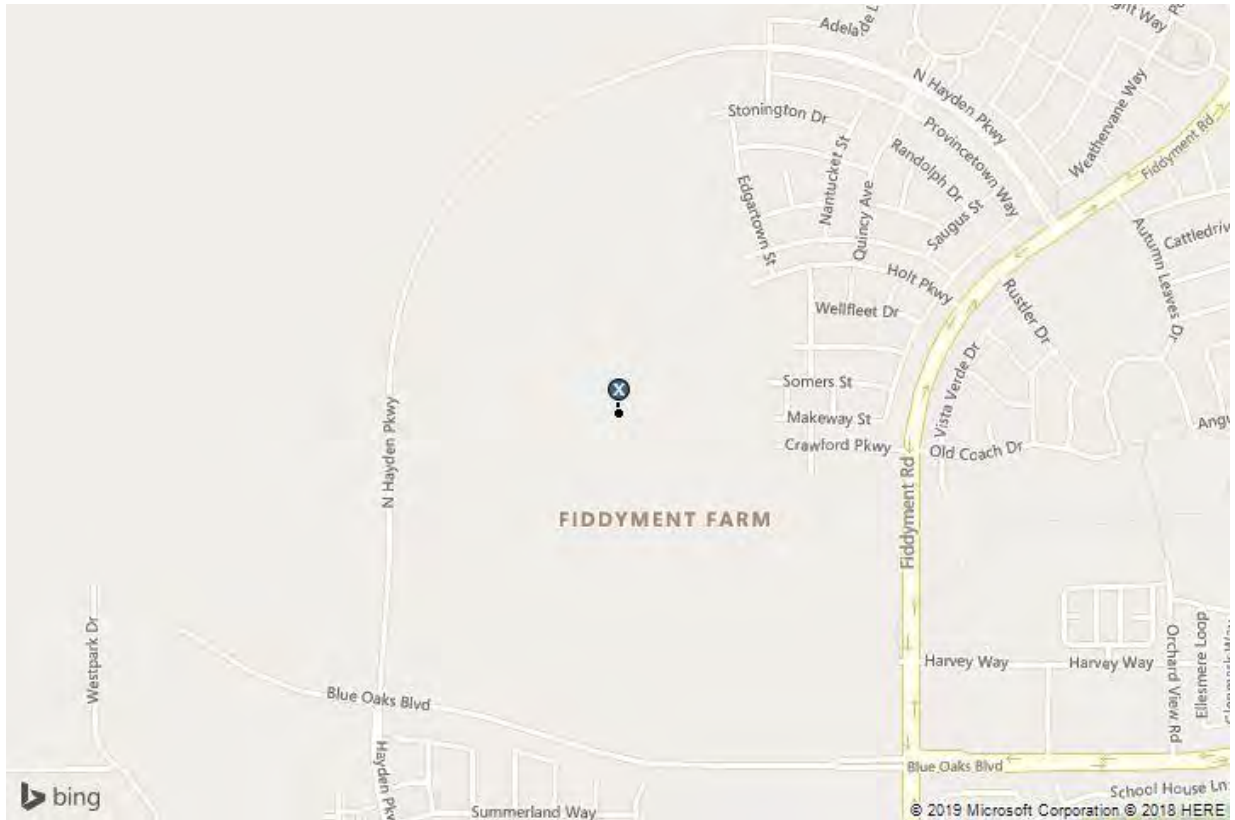
There are two main hospitals in Roseville, both of which are located in east Roseville, just south of Interstate 80 – Kaiser Permanente, located at the northeast corner of Rocky Ridge Drive and Douglas Boulevard, and Sutter Roseville Medical Center on Roseville Parkway.

Conclusion

In conclusion, the subject is located in an expanding suburban area that should continue to experience adequate demand for various urban property uses. While the subject is located on the edge of its neighborhood, and within an expanding area, overall the neighborhood will offer a balanced mix of

land uses. The area has good access to neighborhood thoroughfares. Households in the area have above-average income levels, and the community appeal is good. The characteristics of the neighborhood relative to other parts of the Sacramento region are desirable.

Surrounding Area Map



Residential Market Analysis

Given prevailing land use patterns and the subject's zoning, a likely use of the property is for residential development. In the following paragraphs, we examine supply and demand indicators for residential development in the subject's area.

Submarket Overview

The subject property is located within the Fiddymont Ranch master planned community, in the city of Roseville, Placer County. The neighborhood is characterized as a growing suburban area. Based on existing surrounding homes and new projects under development, the subject characteristics best support projects designed for entry level to move-up buyers.

In this analysis of the housing market, we will analyze market trends within Placer County and, more specifically, the city of Roseville.

Single-Family Building Permits

Single-family building permits for the city of Roseville as well as Placer County totals are shown in the following table.

Building Permits		
Year	City of Roseville	Placer County
2007	1,050	2,188
2008	676	1,393
2009	602	1,130
2010	635	1,087
2011	411	812
2012	663	1,189
2013	535	1,268
2014	645	1,636
2015	967	1,996
2016	862	2,107
2017	1,191	2,500
2018	808	1,884
2019 (Mar.)	221	392

Source: SOCDS Buidling Permits Database

As shown by the preceding chart, building permit activity in Placer County was at a high point 2007, followed by a dramatic decline during the recessionary period through 2011, when it resumed an upward climb since.

A generally similar pattern is observed for permit activity in the city of Roseville. Activity generally fell from 2007 into 2011, then increased into 2012, was generally stable/flat for a few years, and resumed an upward climb from 2013 into 2015, with a slight decline in 2016. Permit activity in 2017 surpassed

the previous high experienced in 2007. However, based on the permit numbers for both Roseville and Placer County, they do not look to outpace the numbers seen in 2017.

New Home Pricing and Sales

The Gregory Group surveys active new home projects in California and Nevada. On the following page we present a table containing indicators for active single-family residential projects the subject's County for the past three years. The data include both attached and detached projects, but the vast majority of units are detached homes.

New Home Sales History								
Time Period	Average price	% Change Average Price	Average Home Size (SF)	Average Price/Avg SF	% Change Price/SF	Quarter Sold	Number of Projects	Sold Per Proj. Per Month
1Q 2015	\$466,467	--	2,597	\$179.62	--	396	46	2.87
2Q 2015	\$477,351	2.3%	2,656	\$179.73	0.1%	436	46	3.16
3Q 2015	\$479,019	0.3%	2,682	\$178.61	-0.6%	328	46	2.38
4Q 2015	\$485,446	1.3%	2,667	\$182.02	1.9%	343	44	2.60
1Q 2016	\$490,226	1.0%	2,675	\$183.26	0.7%	428	49	2.91
2Q 2016	\$500,866	2.2%	2,700	\$185.51	1.2%	462	53	2.91
3Q 2016	\$512,573	2.3%	2,735	\$187.41	1.0%	352	53	2.21
4Q 2016	\$519,126	1.3%	2,737	\$189.67	1.2%	401	55	2.43
1Q 2017	\$520,325	0.2%	2,698	\$192.86	1.7%	493	59	2.79
2Q 2017	\$526,062	1.1%	2,688	\$195.71	1.5%	700	59	3.95
3Q 2017	\$513,858	-2.3%	2,610	\$196.88	0.6%	341	55	2.07
4Q 2017	\$519,636	1.1%	2,606	\$199.40	1.3%	332	56	1.98
1Q 2018	\$517,797	-0.4%	2,538	\$204.02	2.3%	520	60	2.89
2Q 2018	\$533,097	3.0%	2,566	\$207.75	1.8%	535	57	3.13
3Q 2018	\$546,323	2.5%	2,568	\$212.74	2.4%	373	50	2.49
4Q 2018	\$552,195	3.6%	2,570	\$214.86	3.4%	248	47	1.76
1Q 2019	\$558,717	2.3%	2,587	\$215.97	1.5%	399	47	2.83

As shown by the table, new home pricing in Placer County has generally been in an upward trend over the past three years, albeit with some fluctuations. The highest sale price (net of incentives) in the data set - \$558,717- was observed in the most recent quarter. The average price per square foot over the last three years was at a low point in Third Quarter 2015 and has been on a gradual upward trend since then.

With regard to absorption of product, the range of the number of home sales per project per month over the last three years is 1.76 (Fourth Quarter 2018) to 3.95 (Second Quarter 2017), with no particular noticeable pattern in the data set. Over the past year, absorption rates have ranged from 1.76 to 3.13 sales per month, with most of the data lying toward the middle of this range, and the average absorption over the past year has been 2.55 sales per month, or approximately 7.65 sales per quarter.

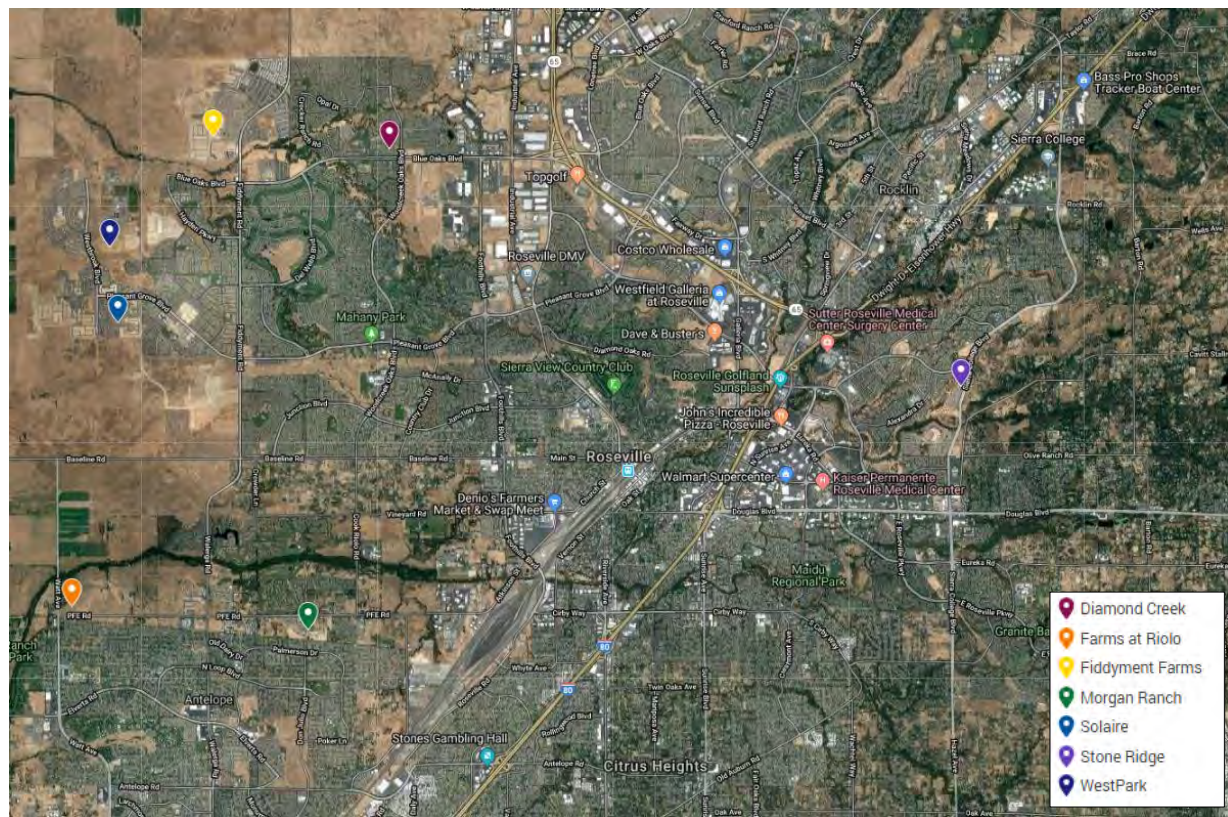
Active New Home Projects Pricing and Absorption

According to the Gregory Group, there are currently 26 active projects in Roseville, all of which are detached product. The projects are summarized in the following table as of First Quarter 2019.

Active Projects											
Project	Master Plan	Community	Developer	Average Price	Avg. Home Size (SF)	Average Price/SF	Typical Lot Size	Units Planned	Units Offered	Units Sold	Units Unsold
Aspire	WestPark	Roseville	K. Hovnanian Homes	\$435,657	2,037	\$214	3,825	56	41	30	11
Blume	Solaire	Roseville	Taylor Morrison Homes	\$482,657	2,314	\$209	5,000	73	58	44	14
Bromley	Solaire	Roseville	Woodside Homes	\$542,200	2,764	\$196	6,000	86	86	85	1
Carrington	WestPark	Roseville	Lennar Homes	\$552,740	2,673	\$207	5,775	150	150	150	0
Farms at Riolo Mariposa	--	Roseville	Homes by Towne	\$495,600	2,449	\$202	7,000	107	49	20	29
Heritage Eclipse*	Solaire	Roseville	Lennar Homes	\$576,990	2,648	\$218	6,000	86	52	41	14
Heritage Larissa*	Solaire	Roseville	Lennar Homes	\$509,490	2,111	\$241	5,000	75	50	43	7
Heritage Meridian*	Solaire	Roseville	Lennar Homes	\$430,990	1,546	\$279	4,500	92	56	49	7
Hillingdon	Solaire	Roseville	Woodside Homes	\$481,990	2,551	\$189	5,250	71	71	70	1
Legato	WestPark	Roseville	KB Home	\$591,372	3,631	\$163	7,150	147	147	145	2
Manchester II	Solaire	Roseville	D.R. Horton	\$435,657	2,206	\$197	4,500	162	137	123	14
Mariposa Creek	--	Roseville	Watt Communities	\$452,990	2,212	\$205	6,000	15	15	3	12
Montecito Walk	WestPark	Roseville	Lennar Homes	\$406,490	1,583	\$257	2,400	122	118	108	10
Morgan Ranch	--	Roseville	Homes by Towne	\$591,103	3,061	\$193	10,000	61	39	13	26
Northwood	Fiddymment Farm	Roseville	JMC Homes	\$429,990	1,360	\$316	6,300	74	70	67	3
Oakbriar	Fiddymment Farm	Roseville	Signature Homes	\$451,000	1,744	\$259	3,000	96	96	96	0
Paradiso	--	Roseville	Woodside Homes	\$468,657	2,073	\$226	4,500	100	14	6	8
Summerwood	Fiddymment Farm	Roseville	JMC Homes	\$477,490	1,811	\$264	6,050	128	98	88	10
Terra Vista	Stone Ridge	Roseville	Elliot Homes	\$713,450	2,965	\$241	6,175	100	100	97	3
The Summit	WestPark	Roseville	Meritage Homes	\$564,700	2,966	\$190	6,600	56	50	45	5
Treo	Solaire	Roseville	Taylor Morrison Homes	\$528,740	2,695	\$196	6,000	72	61	50	11
Valleybrook	Fiddymment Farm	Roseville	JMC Homes	\$727,490	3,592	\$203	8,500	70	21	19	2
Veranda	Stone Ridge	Roseville	Elliot Homes	\$411,200	1,652	\$249	3,000	150	99	82	17
Wexford	Solaire	Roseville	D.R. Horton	\$430,323	2,247	\$196	5,500	103	103	103	0
Wildwood	Fiddymment Farm	Roseville	JMC Homes	\$604,990	2,716	\$223	6,600	86	73	67	6
Woodbridge	Fiddymment Farm	Roseville	Signature Homes	\$563,371	2,648	\$213	5,500	116	49	38	11
Minimum				\$406,490	1,360	\$163	2,400				
Maximum				\$727,490	3,631	\$316	10,000				
Average				\$514,090	2,394	\$221	5,620				

Source: The Gregory Group

The locations of the master planned communities are shown on the following map. Note that Morgan Ranch, Mariposa Creek and Paradiso are not located within master planned communities.



Active Projects – West Roseville

Directly competing areas to the subject would include all communities within West Roseville, including: Fiddymment Farm, Solaire and WestPark.

Absorption												
Project	Master Plan	Builder	Avg. Home Price (1Q 19 Only)	Avg. Home Size (1Q 19 Only)	Lot Size (SF)	1Q 2019	4Q 2018	3Q 2018	2Q 2018	12-Month Total	Average Per Quarter	Average Per Month
Aspire	WestPark	K. Hovnanian Homes	\$435,657	2,037	3,825	17	13	--	--	13	13.0	4.3
Blume	Solaire	Taylor Morrison Homes	\$482,657	2,314	5,000	7	7	11	12	30	10.0	3.3
Bromley	Solaire	Woodside Homes	\$542,200	2,764	6,000	2	5	9	4	18	6.0	2.0
Carrington	WestPark	Lennar Homes	\$552,740	2,673	5,775	6	2	12	20	34	11.3	3.8
Heritage Eclipse	Solaire	Lennar Homes	\$576,990	2,648	6,000	14	11	8	8	27	9.0	3.0
Heritage Larissa	Solaire	Lennar Homes	\$509,490	2,111	5,000	15	10	6	12	28	9.3	3.1
Heritage Meridian	Solaire	Lennar Homes	\$430,990	1,546	4,500	19	10	8	12	30	10.0	3.3
Hillingdon	Solaire	Woodside Homes	\$481,990	2,551	5,250	1	1	0	8	9	3.0	1.0
Legato	WestPark	KB Home	\$591,372	3,631	7,150	11	2	7	20	29	9.7	3.2
Manchester II	Solaire	D.R. Horton	\$435,657	2,206	4,500	16	0	3	29	32	10.7	3.6
Montecito Walk	WestPark	Lennar Homes	\$406,490	1,583	2,400	12	8	18	4	30	10.0	3.3
Northwood	Fiddymment Farm	JMC Homes	\$429,990	1,360	6,300	17	1	12	9	22	7.3	2.4
Oakbriar	Fiddymment Farm	Signature Homes	\$451,000	1,744	3,000	4	2	3	10	15	5.0	1.7
Summerwood	Fiddymment Farm	JMC Homes	\$477,490	1,811	6,050	8	4	6	0	10	3.3	1.1
The Summit	WestPark	Meritage Homes	\$564,700	2,966	6,600	6	5	13	9	27	9.0	3.0
Treo	Solaire	Taylor Morrison Homes	\$528,740	2,695	6,000	13	7	10	14	31	10.3	3.4
Valleybrook	Fiddymment Farm	JMC Homes	\$727,490	3,592	8,500	9	10	--	--	10	10.0	3.3
Wexford	Solaire	D.R. Horton	\$439,323	2,247	5,500	3	10	23	16	49	16.3	5.4
Wildwood	Fiddymment Farm	JMC Homes	\$604,990	2,716	6,600	10	11	3	7	21	7.0	2.3
Woodbridge	Fiddymment Farm	Signature Homes	\$563,371	2,648	5,500	10	1	7	7	15	5.0	1.7
Total						183	107	159	157			
No. of Active Projects						19	19	18	14			
Quarterly Pro-Rata						9.6	5.6	8.8	11.2			
Monthly Pro-Rata						3.2	1.9	2.9	3.7			
									2.9	Average Monthly Pro-Rata		

*Age-restricted

As shown by the data, absorption rates for new homes in West Roseville have ranged from 1.9 to 3.7 sales per month over past year, with an average of 2.9 sales per month.

Resale Pricing

The following table shows historical resale data for more recently built homes (2012 and newer) in West Roseville. We restricted our search to lot sizes with less than 10,000 square feet.

Resales									
Address	Sale Date	Living Area		Sale Price			Year Built	Days on Market	
		(SF)	Sale Price	Last List Price	/SF	Sale/List		Lot Size	
701 Patton Dr, Roseville, CA 95747-6113	5/21/2019	1,476	\$300,000	\$299,997	\$203	100.0%	2015	77	4,826
2092 Camino Real Way, Roseville, CA 95747	4/11/2019	1,985	\$392,000	\$390,000	\$197	100.5%	2014	46	2,487
2224 Hightrail Way, Roseville, CA 95747-9093	4/2/2019	2,278	\$489,000	\$494,000	\$215	99.0%	2013	66	6,155
2017 Montauban Pl, Roseville, CA 95747-6636	4/19/2019	2,185	\$428,000	\$432,950	\$196	98.9%	2017	85	2,814
108 Adrienne Ct, Roseville, CA 95747-5099	4/30/2019	3,302	\$555,000	\$569,000	\$168	97.5%	2012	79	5,014
3313 Welton Cir, Roseville, CA 95747-9578	5/23/2019	2,502	\$496,000	\$499,000	\$198	99.4%	2014	81	4,051
2056 Mannington Pl, Roseville, CA 95747-8982	4/10/2019	2,041	\$430,000	\$439,900	\$211	97.7%	2016	32	2,496
1816 Glenmark Way, Roseville, CA 95747-5088	4/15/2019	1,266	\$385,000	\$389,000	\$304	99.0%	2012	5	3,180
2169 Coryton Ln, Roseville, CA 95747-9557	4/24/2019	1,992	\$492,000	\$499,999	\$247	98.4%	2014	30	6,207
7024 Sandwich Pl, Roseville, CA 95747-4239	4/3/2019	2,535	\$539,900	\$529,900	\$213	101.9%	2016	5	7,079
1221 Vista Verde Dr, Roseville, CA 95747-9656	4/4/2019	3,141	\$580,000	\$599,900	\$185	96.7%	2016	2	6,817
5048 Wood Way, Roseville, CA 95747-8992	4/18/2019	2,204	\$510,000	\$515,000	\$231	99.0%	2016	17	6,055
224 Loon Lake Ct, Roseville, CA 95747-4666	4/12/2019	1,067	\$360,000	\$365,000	\$337	98.6%	2012	34	3,271
3533 Trentino St, Roseville, CA 95747-9275	4/23/2019	1,300	\$400,000	\$400,000	\$308	100.0%	2017	31	3,380
4073 Gunnar Dr, Roseville, CA 95747-9673	5/10/2019	1,467	\$397,940	\$399,990	\$271	99.5%	2017	8	2,579
1181 Peoria Way, Roseville, CA 95747-9581	4/10/2019	2,278	\$525,000	\$525,000	\$230	100.0%	2016	4	6,421
108 Hightrail Ct, Roseville, CA 95747-9092	4/17/2019	2,428	\$546,000	\$535,000	\$225	102.1%	2013	7	7,126
4193 Wyman Way, Roseville, CA 95747-8966	4/16/2019	2,668	\$560,000	\$569,990	\$210	98.2%	2016	27	6,634
1361 Marseille Ln, Roseville, CA 95747	4/12/2019	1,163	\$358,000	\$359,500	\$308	99.6%	2012	17	3,594
3177 Lamar Way, Roseville, CA 95747	4/19/2019	2,744	\$580,000	\$584,995	\$211	99.1%	2016	14	5,319
5081 Prairie Grass Way, Roseville, CA 95747-9617	4/5/2019	2,265	\$550,000	\$559,990	\$243	98.2%	2016	6	6,534
2153 Ellesmere Loop, Roseville, CA 95747-5086	4/11/2019	1,266	\$390,000	\$401,000	\$308	97.3%	2012	8	4,670
3275 Rainhill Loop, Roseville, CA 95747-9068	4/26/2019	2,295	\$515,000	\$509,000	\$224	101.2%	2012	9	6,216
624 Saint Armel Pl, Roseville, CA 95747-6615	4/18/2019	2,282	\$450,000	\$445,000	\$197	101.1%	2014	8	2,714
7184 Corvus Cir, Roseville, CA 95747-8767	4/12/2019	2,328	\$455,000	\$445,000	\$195	102.2%	2017	4	4,500
3580 Trentino, Roseville, CA 95747	5/29/2019	1,300	\$405,000	\$405,000	\$312	100.0%	2015	40	3,489
456 Celebration Ct, Roseville, CA 95747-9529	4/23/2019	1,854	\$495,000	\$495,000	\$267	100.0%	2012	5	8,956
2033 Coryton Ln, Roseville, CA 95747-9558	4/17/2019	1,645	\$516,000	\$510,000	\$314	101.2%	2014	3	7,793
2177 Coryton Ln, Roseville, CA 95747-9557	4/19/2019	1,474	\$400,000	\$393,990	\$271	101.5%	2013	2	4,896
3017 Haywood Pl, Roseville, CA 95747-9038	5/17/2019	1,952	\$509,950	\$509,950	\$261	100.0%	2012	59	6,059
1860 Camino Real Way, Roseville, CA 95747-8430	4/30/2019	1,985	\$396,000	\$395,000	\$199	100.3%	2014	11	2,265
3065 Oak Trail Way, Roseville, CA 95747-9622	4/23/2019	2,039	\$535,000	\$535,000	\$262	100.0%	2015	6	7,257
2000 Somers St, Roseville, CA 95747-4249	5/30/2019	2,186	\$524,900	\$524,900	\$240	100.0%	2017	29	7,667
3097 Quincy Ave, Roseville, CA 95747-4234	5/23/2019	2,018	\$500,000	\$500,000	\$248	100.0%	2017	17	5,754
2117 Castle Pines Way, Roseville, CA 95747	5/10/2019	2,639	\$520,000	\$536,900	\$197	96.9%	2015	13	5,279
2076 Camino Real Way, Roseville, CA 95747-8433	4/18/2019	1,985	\$420,000	\$410,000	\$212	102.4%	2015	2	2,265
2200 Hightrail Way, Roseville, CA 95747-9093	5/3/2019	2,302	\$525,000	\$524,999	\$228	100.0%	2013	8	6,155
6073 Cohasset Dr, Roseville, CA 95747-4265	4/30/2019	2,039	\$512,000	\$509,000	\$251	100.6%	2017	5	6,639
1868 Camino Real Way, Roseville, CA 95747-8430	5/9/2019	2,069	\$415,000	\$405,000	\$201	102.5%	2014	7	2,413
417 Chilmark Ct, Roseville, CA 95747-4228	5/10/2019	2,476	\$550,000	\$559,300	\$222	98.3%	2016	5	9,230
317 Basilica Ct, Roseville, CA 95747-3507	5/31/2019	1,486	\$440,000	\$449,000	\$296	98.0%	2012	9	7,741
3293 Dolcetto St, Roseville, CA 95747-9274	5/30/2019	1,284	\$395,000	\$395,000	\$308	100.0%	2013	14	3,441
3305 Moscato St, Roseville, CA 95747-9267	5/10/2019	1,300	\$400,000	\$405,900	\$308	98.5%	2015	17	3,676
2224 Mist Hill Way, Roseville, CA 95747-9501	5/10/2019	2,921	\$580,000	\$565,000	\$199	102.7%	2012	2	7,431
1056 Broken Spoke Ln, Roseville, CA 95747-9612	5/20/2019	2,265	\$570,000	\$559,900	\$252	101.8%	2016	4	6,852
5137 Maestro Way, Roseville, CA 95747-8936	5/24/2019	3,600	\$560,000	\$569,000	\$156	98.4%	2015	6	5,545
5025 Glenwood Springs Way, Roseville, CA 95747-9289	5/24/2019	2,744	\$530,000	\$539,000	\$193	98.3%	2017	7	5,641
2189 Castle Pines Way, Roseville, CA 95747-8958	5/28/2019	2,444	\$530,000	\$535,000	\$217	99.1%	2015	13	5,362
1264 Billington Ln, Roseville, CA 95747-9525	6/3/2019	2,609	\$515,000	\$509,900	\$197	101.0%	2012	8	8,385
9212 Rioja St, Roseville, CA 95747	5/31/2019	1,731	\$435,000	\$435,000	\$251	100.0%	2016	3	3,376
Total Sales	45	2,037	\$473,171	\$474,377	\$242	99.8%	2014	21	5,231
		(avg.)	(avg.)	(avg.)	(avg.)	(avg.)	(avg.)	(avg.)	(avg.)

As shown by the data, MLS reports that there have been 45 re-sales in West Roseville since January 1, 2019. Most homes have closed at or near the asking price (some above asking), and the time on the market has averaged approximately a month and a half. These statistics point to a generally healthy re-sale market.

Ability to Pay

According to the Gregory Group, of the seven active projects in Fiddymment Ranch, new home price points are generally between \$429,990 (1,454 square foot plan within the Northwood project) to \$769,990 (4,001 square foot plan within the Valleybrook project). In this section, we will examine the

ability to pay among prospective buyers for both representative price points. First, we will estimate the required annual household income based on typical mortgage parameters in the subject's market area. Specifically, we will employ a loan-to-value ratio of 80% (down payment of 20%), mortgage interest rates of 4.50%, 360 monthly payments, and a 40% ratio for the housing costs as a percent of monthly income (inclusive of principal, interest, all taxes and insurance). As alluded to above, property tax payments are accounted for in the analysis. Ad valorem taxes are 1.085576% of assessed value.

The most significant direct levy payments are related to the CFD bonds in the area: Fiddymment Ranch CFD Nos. 2 and 5. Annual special tax levy rates for a typical lot in CFD No. 5 are \$1,792 per home/year (or \$149 per home/month) for LDR lots and \$1,379 per home/year (or \$115 per home/month) for MDR lots. Annual special tax levy rates for a typical lot in CFD No. 2 are \$684 per home/year (or \$57 per home/month) for LDR lots and \$630 per home/year (or \$53 per home/month) for MDR lots. Additional special taxes associated with CFD No. 3 (typical monthly payment of \$37) are also considered. Please note, we have not taken into account a yearly escalator.

Given the discussion above, the following tables show the estimate of the annual household income that would be required to afford homes priced between \$429,990 and \$769,990:

Income Required	
Home Price	\$429,990
Loan % of Price (Loan to Value)	80%
Loan Amount	\$343,992
Interest Rate	4.50%
Mortgage Payment	\$1,743
Ad Valorem Taxes	\$389
Bond Payments	
CFD No. 5	\$149
CFD No. 3	\$57
CFD No. 3	\$37
Property Insurance	\$90
Total Monthly Obligation	\$2,465
Mortgage Payment % of Income	40%
Monthly Income	\$6,162
Annual Income	\$73,946

Income Required

Home Price	\$769,990
Loan % of Price (Loan to Value)	80%
Loan Amount	\$615,992
Interest Rate	4.50%
Mortgage Payment	\$3,121
Ad Valorem Taxes	\$697
Bond Payment	
CFD No. 5	\$149
CFD No. 2	\$57
CFD No. 3	\$47
Property Insurance	\$160
Total Monthly Obligation	\$4,231
Mortgage Payment % of Income	40%
Monthly Income	\$10,579
Annual Income	\$126,944

We have obtained income data from Environics Analytics for households within the subject's 95747- zip code along with estimates of the percentage of households able to afford homes priced at \$429,990 and \$769,990 within each income bracket. Although, a representative area of typical buyers for the subject property would likely characterize a broader area.

Household Ability (\$429,990)

Household Income	Households	Percent of Households	Percent Able to Pay	Households	Households Able to Pay
< \$15,000	188	4.8%	0.0%	0	0.0%
\$15,000 - \$24,999	217	5.5%	0.0%	0	0.0%
\$25,000 - \$34,999	232	5.9%	0.0%	0	0.0%
\$35,000 - \$49,999	297	7.6%	0.0%	0	0.0%
\$50,000 - \$74,999	509	13.0%	4.2%	21	0.5%
\$75,000 - \$99,999	447	11.4%	100.0%	447	11.4%
\$100,000 - \$149,999	880	22.4%	100.0%	880	22.4%
\$150,000 - \$199,999	521	13.3%	100.0%	521	13.3%
\$200,000 +	<u>637</u>	<u>16.2%</u>	100.0%	<u>637</u>	<u>16.2%</u>
	3,928	100.0%		2,506	63.8%

Household Ability (\$769,990)					
Household Income	Households	Percent of Households	Percent Able to Pay	Households	Households Able to Pay
< \$15,000	188	4.8%	0.0%	0	0.0%
\$15,000 - \$24,999	217	5.5%	0.0%	0	0.0%
\$25,000 - \$34,999	232	5.9%	0.0%	0	0.0%
\$35,000 - \$49,999	297	7.6%	0.0%	0	0.0%
\$50,000 - \$74,999	509	13.0%	0.0%	0	0.0%
\$75,000 - \$99,999	447	11.4%	0.0%	0	0.0%
\$100,000 - \$149,999	880	22.4%	46.1%	406	10.3%
\$150,000 - \$199,999	521	13.3%	100.0%	521	13.3%
\$200,000 +	<u>637</u>	<u>16.2%</u>	100.0%	<u>637</u>	<u>16.2%</u>
	3,928	100.0%		1,564	39.8%

Conclusions

We have summarized some of the key points from this section as follows:

- Building permit activity for single-family residences in Roseville reached a peak about 10 years ago, then fell precipitously during the recessionary period, but has been increasing in more recent years and has surpassed the previous high point in 2007.
- New home pricing in Roseville has been in a general increasing pattern over the last four years, albeit with a few quarterly dips. The most recent period indicates the highest new home pricing observed over the last four years.
- According to the Gregory Group, there are currently 26 active new home projects in Roseville. This is among the highest levels of active projects observed since the past expansionary period.
- Absorption rates within new home projects in West Roseville have ranged from 1.9 to 3.7 sales per month over the past year, with an average of 2.9 sales per month.
- Re-sale homes in West Roseville are transferring at or near the asking price, and the exposure period has averaged less than a month, both indicators of a healthy market.
- Overall, demand for new homes in the subject's market area remains strong.

Retail Market Analysis

The retail market in Sacramento has been on a path of stabilization and improvement over the past few years with activity in the first quarter 2019 further contributing to healthy market conditions.

Vacancy has been trending consistently downward since the first quarter of 2010, except for a couple of small increases in individual quarters, and the first quarter closed out at a rate of 7.5%, the lowest in the past decade. New construction in the region has increased over the past 2-3 years as economic conditions have improved but has been predominantly build-to-suit projects or pre-leased. More development is in the pipeline in infill locations as demand remains strong and vacancy continues to decline. Net absorption has been positive over the recent past; the fourth quarter 2018 marked the tenth consecutive quarter of positive net absorption for the region, bringing the year-end total to 324,389 square feet. The first quarter 2019, however, posted overall negative net absorption, as a result of constrained inventory of good quality space, more store closures and leasing activity concentrated on small to mid-sized tenants.

As the region's economic fundamentals are consistently improving, market participants continue to navigate the structural changes to the retail sector. The increase in e-commerce continues to have an impact on brick-and-mortar projects, resulting in a shift in demand towards more experience-based uses. Much of the recent activity in the market is a result of this shift, as there has been an expansion into the Sacramento market of service-oriented retailers – food service, fitness clubs and personal service businesses. There has also been an increase in the activity of grocery stores, with several grocery-anchored centers under construction or early development stages.

It is noted the figures in this overview are primarily based on quarterly surveys published by brokerage CBRE for retail buildings 20,000 square feet and larger, excluding regional malls. Market conditions may not be similar for smaller retail properties. In fact, many brokers have indicated market conditions are typically not as strong for smaller, unanchored properties. Anchored centers are generally more likely to maintain stabilized occupancy levels compared to unanchored centers.

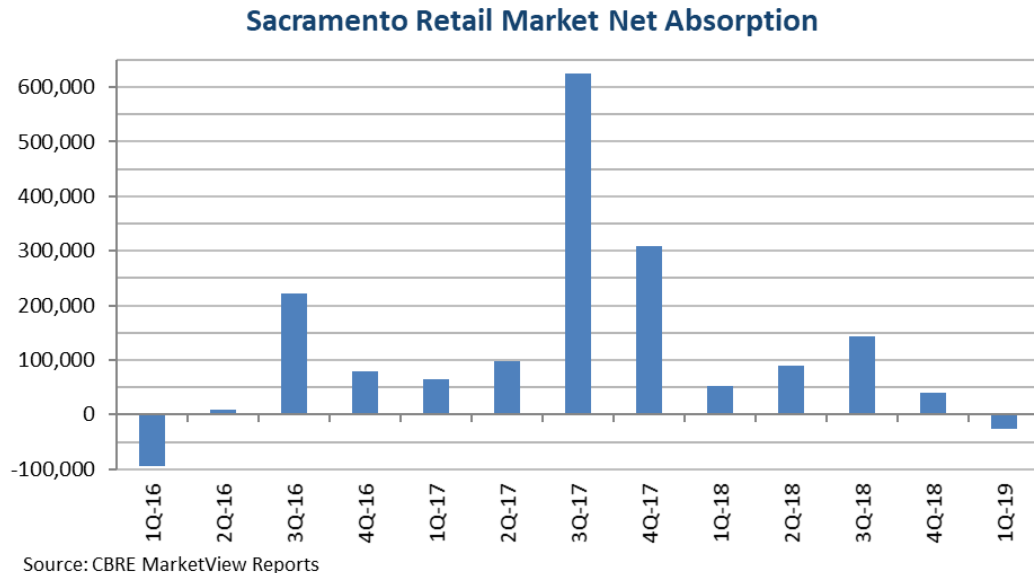
Economic Overview

The year 2018 was one of sustained economic growth in the United States, which continued into the beginning of 2019. Job growth continues to rise, although the pace of growth is slowing as the market nears full employment. Wages continue trending upward, however, consumer confidence has decreased in recent months. While consumer confidence remains elevated, the overall trend in confidence, based on the consumer confidence index, has been slowly declining since mid-2018, and economists are predicting economic growth will likely moderate this year.

In the Sacramento-Roseville-Arden/Arcade MSA (El Dorado, Placer, Sacramento and Yolo Counties), unemployment was 4.3% as of March 2019, up from 4.0% a year prior. This compares favorably to the unemployment rate of 4.6% for California and 3.9% for the nation. The Sacramento region added 28,300 new jobs (up 2.8%) between March 2018 and March 2019, with total employment at 1,065,200. The Sacramento area is becoming an increasingly popular alternative to the costly Bay Area markets. The continued in-migration to the area is expected to fuel population and workforce growth, which will drive demand for the commercial and retail sector.

Absorption & Vacancy

The following highlights the region's net absorption over the past few years.



The Sacramento retail market has experienced a significant range of highs and lows over the last economic cycle. The retail market was very strong in the year 2007 with about 3 million square feet of positive net absorption. In 2008, net absorption was still positive but dropped significantly to about 600,000 square feet. The region's net absorption was negative for the year 2009, with various brokerages estimating over 1 million square feet of negative net absorption. The annual net absorption turned positive in 2010 with about 170,000 square feet. During the four-year period of years 2011 through 2014, annual net absorption was fairly consistent, exhibiting between 530,000 and 600,000 square feet per year. Net absorption increased in the year 2015 to about 930,000 square feet. Most of this activity was due to big box leasing. During 2016, the region experienced net absorption of 217,311 square feet. In the first half of the year, leasing activity was strong among smaller tenants, but the overall market was impacted by the closing of five larger stores, including two Save Mart stores, two Sport Chalet locations and a clothing store. In the second half of the year, several larger leases were executed, which helped close the year with positive net absorption despite the closing of several Sports Authority stores. In 2017, the region experienced an annual net absorption of 1,099,674 square feet. The significant increase over the previous year was due primarily to completions of new retail projects. Most notably, the Delta Shores project contributed over 500,000 square feet of new retail space during 2017.

The first half of 2018 saw more vacancies of big box tenants, including Safeway and Big Lots in the West Capitol Plaza, West Sacramento; and Walmart and Sam's Club in the Country Club Centre (Arden/Howe/Watt submarket). In addition, Sears announced the closure of two stores in the Sacramento Region – Roseville Galleria and Sunrise Mall locations – and Toys R Us / Babies R Us announced the insolvency of its business, ultimately resulting in ten store closures in the region. Vacancy and net absorption may be negatively impacted in the short term by these closures; however,

discount stores and bargain grocers are driving tenant demand and will help offset the vacancies. Tenant demand is also strong for restaurants, fitness facilities and experience-based destinations. For example, plans for the closing Sears store in the Westfield Galleria mall are for a mixed-use project to include a Cinemark movie theatre, restaurants, arcade games and bowling alley.

During the first quarter 2019, the market had negative net absorption of 25,287 square feet. Most of the leasing activity this quarter involved small to mid-sized tenants. Some of the more significant recent leases include:

- Goodwill leased 36,345 square feet at 5005 Stockton Blvd., Sacramento
- American Furniture Warehouse Corporation leased 30,930 square feet in Broadstone Plaza II, Folsom
- Goodwill leased 21,440 square feet at 6328 Fair Oaks Blvd., Carmichael
- Precision for Collision leased 16,125 square feet at 8845 Washington Blvd., Roseville
- Falling Prices leased 15,326 square feet at 6456 Fair Oaks Blvd., Carmichael

Some notable sale transactions in the first quarter 2019 include:

- 1010 E Bidwell Street, Folsom, with 74,552 square feet, sold for \$15,325,000
- Laguna Reserve Marketplace, with 34,308 square feet, sold for \$9.3 million
- 4811 Madison Avenue, North Highlands, with 57,066 square feet, sold for \$9.1 million
- 8351 Elk Grove-Florin Road, South Sacramento, with 28,294 square feet, sold for \$4.47 million
- 2800-2868 Zinfandel Drive, Rancho Cordova, with 54,004 square feet, sold for \$3.7 million

The average retail vacancy in the Sacramento area has been consistently declining since 2010, as illustrated in the following chart.



Source: Colliers International Research and Forecast Reports

The following chart summarizes the recent history of retail vacancy in the Sacramento region.



The first quarter posted an overall vacancy of 7.5%, down 30 basis points from the previous quarter and down 90 basis points from the previous year. The third quarter of 2018 was the first time in ten years that vacancy had slipped below 8%. Vacant space remains scarce in prime submarkets as tenants focus their demand there, while less desirable submarkets are finding it difficult to sustain demand. The steady demand for good quality space is expected to continue pushing vacancy rates downward. However, vacancy rates may increase in the short term as new product is delivered and absorbed.

The table below summarizes vacancy rates and net absorption by submarket. According to the data presented, the Citrus Heights/Fair Oaks and the Folsom/El Dorado Hills submarkets posted the highest levels of net absorption, while the Laguna/Elk Grove and Roseville submarkets posted the greatest negative absorption. Overall, half of the submarkets posted negative net absorption during the quarter. Vacancy rates ranged from a low of 2.9% in the Lincoln submarket to a high of 17.2% in the Carmichael submarket, with an overall market average of 7.5%.

Sacramento Retail Market Summary

Submarket	Total SF (millions)	Vacancy 1Q 2019	Net Absorption 1Q 2019
Arden/Watt/Howe	3.70	12.8%	(11,847)
Auburn/Loomis	1.15	3.8%	10,534
Carmichael	1.32	17.2%	5,668
Citrus Heights/Fair Oaks	4.54	10.1%	29,531
Folsom/El Dorado Hills	5.58	5.8%	29,878
Greenhaven/Pocket	.43	5.8%	1,271
Hwy 50/Rancho Cordova	2.92	9.8%	(10,119)
Laguna/Elk Grove	5.76	6.3%	(65,318)
Lincoln	1.17	2.9%	(1,281)
North Highlands	2.57	8.9%	(12,872)
North Natomas	2.44	6.3%	(3,605)
Rocklin	2.66	7.0%	10,175
Roseville	6.47	3.0%	(25,563)
South Natomas	.62	9.0%	1,190
South Sacramento	4.71	9.6%	18,098
West Sacramento/Davis	2.64	4.6%	(1,027)
Total	48.68	7.5%	-25,287

Source: CBRE MarketView Reports

Rental Rates

This section discusses average asking rental rates. The reader should note these rates provide only a snapshot of activity at a specific point in time, which is influenced by the quality and quantity of space available at that time. Guarded reliance should be placed on average asking rates due to the number of variables impacting these figures.

According to CBRE, the average asking rental rate for retail space in the Sacramento region was \$1.58 psf/month, triple net in the first quarter of 2019. This average was up slightly (\$0.01 psf/month) from the previous quarter and up \$0.03 psf/month year-over-year. The market is experiencing a widening gap between asking rates in newly constructed centers in desirable submarkets and obsolete centers in secondary locations, resulting in an offsetting effect on the average, but a larger range. Many of the retail projects under construction are pre-leased or build-to-suit, with only minimal new speculative construction projected to deliver in the near term. As such, lease rates are anticipated to hold steady or increase moderately in response to unmet demand.

New Construction

Construction activity was limited in the region during the period of roughly 2008-2013 as a result of declining market conditions; however, new construction has increased in the region since 2014 as feasibility has improved. In the year 2014, new completions totaled about 390,000 square feet. In 2015, completions totaled about 370,000 square feet and included a 120,000 square foot Lifetime Fitness athletic club in Roseville, two buildings in the Rocklin Crossings shopping center (one of which is occupied by Bass Pro Shops), and a big box store in South Sacramento. The only completion in the first quarter of 2016 was an Applebee's restaurant in Rocklin. In the second quarter of 2016, there were two completions totaling about 34,000 square feet, including a Nordstrom Rack expansion in

Folsom and three shop buildings in the Rocklin Crossing center in Rocklin. In the third quarter of 2016, completions totaled about 49,000 square feet – a Home Goods store in the Arden/Watt/Howe submarket and a Smart & Final store in Citrus Heights. Over 254,000 square feet was completed in the fourth quarter, including a Lifetime fitness center in Folsom; and a Raley's grocery store, Nordstrom Rack and Cinemark Theater in the Arden/Watt/Howe submarket. In Downtown Sacramento, the new Golden 1 Center arena was completed in 2016 for the Sacramento Kings NBA basketball team, as well as for various concerts and other events. Several restaurants and shops have since opened around the new arena.

In 2017, new construction was concentrated primarily within Delta Shores, an approximate 740,000 square foot retail center located in the South Sacramento submarket adjacent to Interstate 5. Wal-Mart Supercenter opened a 300,000 square foot store there in the fourth quarter, joining the already existing Dick's Sporting Goods, Hobby Lobby, Ross, ULTA, Old Navy, and PetSmart. RC Willey (170,000 square feet) and Regal Cinemas (14 screens) opened during the first quarter 2018.

Additional new deliveries in the first quarter 2018 included a 29,296 square foot Sprouts Farmers Market in Natomas and the TJ Maxx building within the Rocklin Commons expansion (21,000 square feet). During the second quarter 2018, the HomeGoods store (21,000 square feet), also part of the Rocklin Commons expansion, was delivered. In addition, a 12,000 square foot building at 8851 Calvine Road was delivered and a new grocery store concept from Raley's called Market 5 – ONE 5 was completed at 915 R street in Midtown. Significant deliveries in the third quarter included a 150,000 square foot Costco store in Elk Grove; a 15,450 square foot Grocery Outlet and a 9,112 square foot Cracker Barrel restaurant in the Arden/Watt/Howe submarket; and two buildings within the Vineyard at Madeira center in Elk Grove.

In the Downtown submarket, the most significant recent developments have been Ice Blocks and Downtown Commons (DOCO), which have driven net absorption throughout 2018.

Ice Blocks is a mixed-use development in the historic R Street Corridor in Midtown featuring three city blocks of ground floor retail with boutiques, cafes and restaurants, as well as office space and 142 loft-style apartment units. The last of the three blocks was delivered in the fourth quarter 2017, with West Elm leasing the largest 10,992 square foot space and opening at the beginning of August 2018. Beast and Bounty restaurant also opened in the third quarter and Milk Money opened in early October.

Downtown Commons (DOCO) is a 630,000-square foot lifestyle center anchored by Macy's, Cinemark, 24 Hour Fitness and Urban Outfitters. The Sawyer Hotel mixed-use development, located in the DOCO project, delivered 53,000 SF of retail/restaurant space at the end of 2017. In addition to the larger anchor tenants, several restaurants have already opened (Haagen-Dazs, Punch Bowl Social, Sauced BBQ and Spirits, Echo & Rig Steakhouse, The Pizza Press, Burger Lounge, Yard House) and several others are scheduled to open in the near term. The final phase of the retail space was completed in the fourth quarter 2018.

The following table highlights some of the more significant retail projects under construction in the region as of first quarter 2019. In addition to these, there are approximately a dozen small retail projects under construction of 8,000 square feet or less.

Retail Projects New Construction

Project	Submarket	Size (SF)	Status
824 Sutter Street / Roadhouse Restaurant	Folsom	10,072	Under Construction / Delivery Q2 2019
Crocker Village Shopping Center	South Sacramento	110,145	Under Construction / Partial delivery Q2 2019
291 Conference Center Dr / VillaSport	Roseville	130,000	Under Construction / Delivery Q2 2019
Fair Oaks Promenade / 5442 Hazel Ave	Orangevale	11,000	Under Construction / Delivery Q2 2019
The Hardin /700-730 K Street	Downtown	72,000	Under Construction / Delivery Q4 2019
Truxel & Gateway	North Natomas	13,750	Under Construction / Delivery 2020
Creekside Marketplace (Del Paso & Town Center)	North Natomas	77,553	Under Construction
The Park	South Sacramento	103,165	Under Construction / Delivery 2020
Sienna Ridge	El Dorado Hills	103,000	Construction to begin 2019

Source: CBRE; CoStar; Colliers International Research and Forecast Report

Looking Ahead

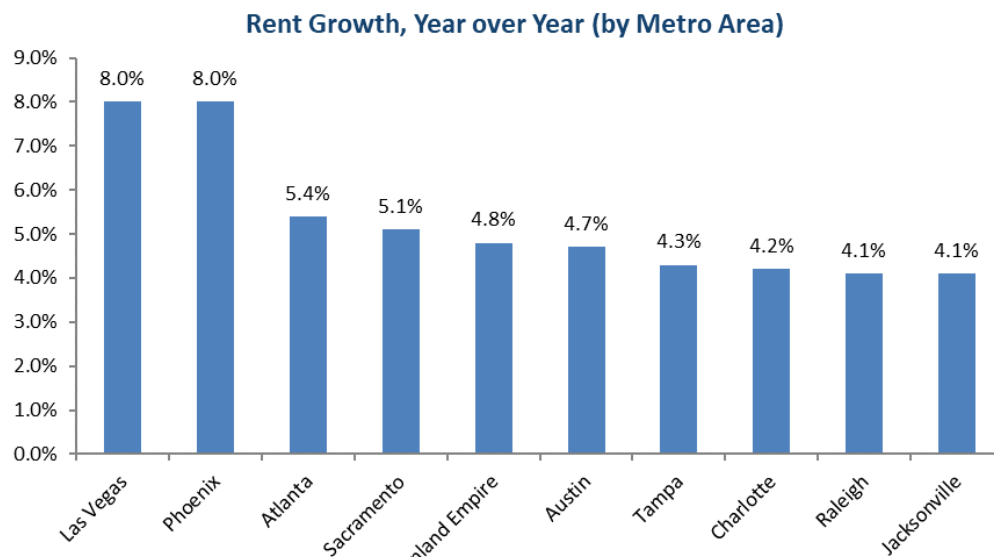
The Sacramento retail market continues to be characterized by scarce availability and strong demand for the best quality projects in prime submarkets, whereas many older centers, some with functional issues, continue to struggle, having never fully recovered from the recession.

Continued moderate improvement in the market is expected through 2019. Sustained demand and healthy leasing activity will contribute to further increases in asking lease rates for desirable projects, particularly power regional centers. Older centers, however, will likely discount their asking rates. Projects under construction are delivering mostly pre-leased and will add to the total retail inventory in the market but will not significantly impact vacancy. Vacancy rates are expected to hold steady or moderately trend downward over the next 12 months. Competition from internet retailers will continue to put pressure on the retail consumer goods industry, but strong demand for discount stores, local service, experience-based and food tenants in the region will keep market conditions favorable.

Multifamily Market Analysis

The Sacramento multifamily market continues to exhibit some of the strongest fundamentals in the United States. Annual rental rate growth, which hit double digits in 2016, slowed somewhat through 2017 and 2018, but remains very healthy in the 3-6% range. Vacancy continues to be in the mid-three percent range, as delivery of new units is keeping pace with demand. With occupancy above equilibrium, it is anticipated that rental rate growth will continue, albeit at a diminishing rate. Job growth and household income gains continue to improve, particularly in the government, trade/transportation/utilities and educational and health services sectors, which bodes well for all residential real estate. Home prices continue to rise at a slightly higher rate than multifamily rental growth, thereby keeping home ownership competition at bay.

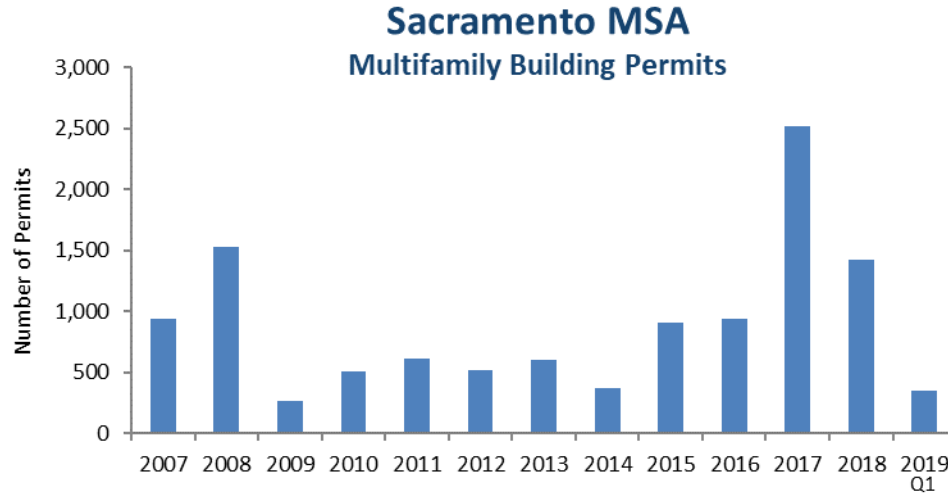
Information extracted from the Q1 2019 U.S. Multifamily Figures report by CBRE indicates the Sacramento Metro area was fourth in the nation for annual rent growth, as indicated below.



Source: CBRE Q1 2019 U.S. Multifamily Figures

New Construction

The following chart indicates the number of multifamily building permits issued over the last 12 years in the four-county Sacramento MSA (Sacramento, El Dorado, Placer and Yolo Counties). These figures include for-rent apartments and for-sale condominiums of projects containing at least five units.



Source: U.S. Census SOCDS Building Permits Database

Permit activity for multifamily projects was low during the recovery years of 2010 through 2014, but increased beginning in 2015 to the present, as developers began responding to improving market conditions, particularly very low vacancy. Information from the U.S. Census indicates 2,521 permits were issued in 2017, 1,425 permits in 2018 and 354 permits as of the first quarter 2019.

Third party research reports indicate that 2018 has been one of the strongest in terms of new construction in the last 10-12 years, with activity continuing strong into 2019.

- Colliers International estimates 1,361 new units were delivered from first quarter 2018 to first quarter 2019 and an additional 2,207 units are under construction, with 986 of these in urban Sacramento. It is projected 1,916 units will deliver in 2019 and approximately 2,300 units will deliver between second quarter 2019 and second quarter 2020.
- Kidder Mathews indicates 767 apartment units were delivered during 2018 and 2,699 units are under construction as of the first quarter 2019.
- The Marcus & Millichap Multifamily report for Sacramento Metro Area indicates more than 2,450 apartment units are under construction, with roughly 40% of these located in Central Sacramento. 1,920 new apartment units are expected to be delivered to the region in 2019.

A summary of significant apartment projects recently completed or under construction are highlighted in the following table.

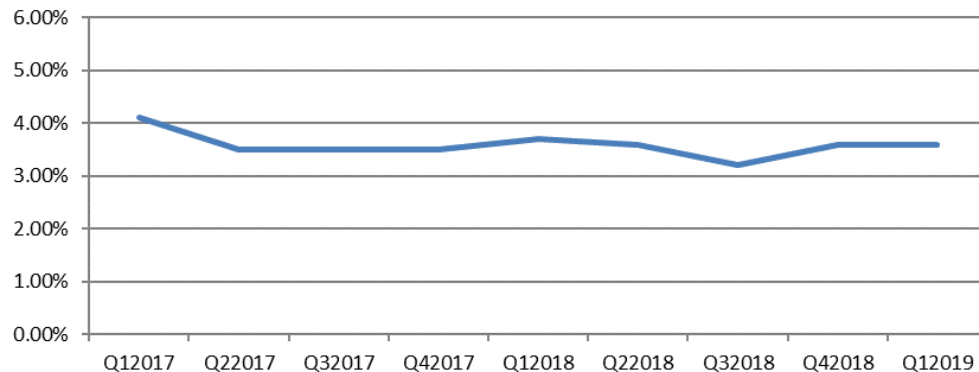
Apartment Projects New Construction

Project	Submarket	Number of Units	Status
Recently Completed			
Vasari / 8117 Sheldon Road	Elk Grove/Laguna	244	Completed Q2 2018
The Hardin / 1110 8th Street	Downtown	137	Completed Q2 2018
Golden Lofts / 1010 1/2 10th St	Downtown	26	Completed Q2 2018
Ice House / 1720 R Street	Midtown	142	Completed Q2 2018
BDX at Capital Village	Rancho Cordova	199	Completed Q3 2018
The Crossings / 2920 Ramona Avenue	South Sacramento	225	Completed Q3 2018
Q19 Apartments @ Midtown / 1907 Q Street	Midtown	68	Completed Q3 2018
Garnet Creek / 5002 Jewel Street	Rocklin	260	Completed Q3 2018
980 Central / 980 Central Street	West Sacramento	55	Completed Q3 2018
Pique at Iron Point / 101 Pique Loop	Folsom	327	Completed Q4 2018
Campus Oaks Apartments / 500 Roseville Pkwy (Phase I)	Roseville/Rocklin	185	Completed Q1 2019
Under Construction			
Talavera Ridge / 2796 Broadstone Pkwy	Folsom	293	Delivery Q2 2019
Hub Apartments / 525 Willard Drive	Folsom	230	Delivery Q2 2019
Sutter Green / 2205 Natomas Park Drive	Natomas	232	Delivery Q2 2019
Webster Hall / 541 Oxford Circle	Davis	330	Delivery Q3 2019
The Press / 1723 20th Street	Midtown	277	Delivery Q3 2019
Crocker Village / Sutter Road and Crocker Drive	South Sacramento	222	Delivery Q4 2019
Harvest at Fiddymment Ranch / 1900 Blue Oaks Blvd.	Roseville/Rocklin	300	Delivery Q1 2020
The Foundry / Central Ave, west of Riverfront	West Sacramento	69	Delivery Q1 2020

Source: Kidder Mathews Real Estate Market Review; Colliers International Research and Forecast Report

Vacancy

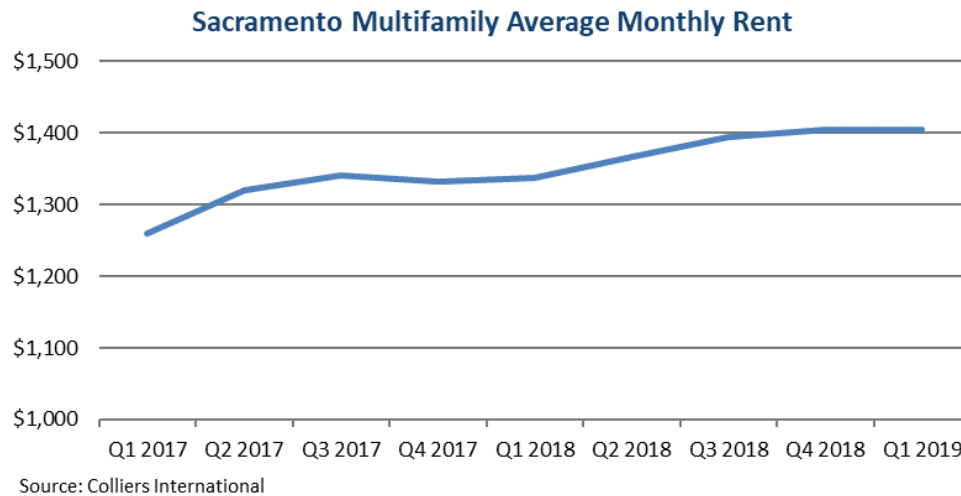
Historically speaking, the regional apartment market has typically maintained relatively low vacancy. Over the last decade, after peaking in the 7% range in 2009, the region's average vacancy rate steadily declined through 2013 and then remained relatively flat near 4% through 2016. By mid-2017, the vacancy rate decreased to 3.5%, where it has remained generally steady. The first quarter 2019 overall vacancy was 3.6%, unchanged over the previous quarter and down 10 basis points year-over-year. Despite significant new apartment deliveries, vacancy has remained stable. The following chart shows the region's average annual apartment vacancy rate over the past eight quarters.

Sacramento Multifamily Market Vacancy

Source: Colliers International

Rental Rates

Rental rates have been steadily rising since 2009, with steeper increases from 2013 to 2016 and more moderate increases since then. The average monthly rental rate as of the first quarter 2019 was \$1,405, a 5.0% increase year-over-year and unchanged from the previous quarter. The following chart provides a summary of historical average monthly apartment rental rates.



Submarket Data

The following table highlights the average monthly rental rates and vacancy for the Sacramento area submarkets as of the first quarter 2019, all of which have continued to record strong occupancy and rent levels.

Sacramento Multifamily Market Summary		
Submarket	Rental Rates	Vacancy
Central Sacramento	\$1,820	4.5%
South Sacramento	\$1,388	4.0%
Natomas	\$1,491	3.9%
N Sacramento / North Highlands	\$1,304	3.8%
Arden / Arcade	\$1,211	3.7%
Carmichael	\$1,197	2.0%
Rancho Cordova / East Sacramento	\$1,287	4.1%
Citrus Heights	\$1,295	3.2%
Folsom / Orangevale / Fair Oaks	\$1,563	4.4%
Roseville / Rocklin	\$1,596	4.4%
Woodland / West Sacramento	\$1,151	2.3%
Davis	\$1,907	0.6%
Sacramento Market Total	\$1,405	3.6%

Source: Colliers International. Sacramento Research and Forecast Report 1st Quarter 2019

According to the report, during the first quarter 2019, the Central Sacramento submarket recorded the highest vacancy at 4.5%, unchanged from the previous quarter. The Davis submarket had the lowest vacancy at 0.6%. The Carmichael and Woodland/West Sacramento submarkets also had vacancy levels below 3%.

In the Downtown submarket, steady demand from young professionals desiring to live in Sacramento's urban core continues to have developers looking to capitalize. Various multifamily projects are underway or planned in the Downtown and Midtown areas, both in the form of new construction as well as renovation of existing buildings; there is an estimated 986 apartment units under construction in the urban Sacramento area. Suburban submarkets with strong activity include Folsom, where 650 units are scheduled for completion during 2019; Roseville/Rocklin, with 486 units under construction; and Natomas with 232 units slated for delivery in the second quarter 2019.

Sales Activity

Sales activity for apartments in the region has been strong for several years. Volume totaled \$1.9 billion in apartment sales during 2018. The first quarter 2019 recorded \$176.5 million in sales. Apartment capitalization rates have trended downward over the past few years but appear to be moderating in recent months.

Some notable sales transactions that occurred during the first quarter 2019 are summarized below.

Sacramento Area Notable Sales Transactions				
Project	Number of Units	Submarket	Sale Price	Price / Unit
The Crossing at Wyndham	298	North Laguna	\$43,000,000	\$144,295
Sunrise Commons	168	Citrus Heights	\$32,500,000	\$193,452
Riverside Villas	100	Citrus Heights	\$16,000,000	\$160,000
Capitol Place Apartments	192	Rancho Cordova	\$13,100,000	\$68,229
Florin Woods Apartmetns	95	South Sacramento	\$10,800,000	\$113,684
Carmichael Village	94	Carmichael	\$9,900,000	\$105,319
Sky Parkway Terrace	58	South Sacramento	\$4,900,000	\$84,483
The Huntington	24	Downtown	\$4,350,000	\$181,250
Lindale Gardens	22	South Sacramento	\$3,225,000	\$146,591

Source: Colliers International, Kidder Mathews, CoStar

Conclusion

The Sacramento apartment market continues to expand with significant new construction activity, increasing rental rates and very low vacancy rates. Construction activity in 2017 was the highest experienced since 2003, continued strong through 2018 and is expected to remain elevated through 2020. Market vacancy has remained tight for the past several years as demand continues to keep pace with new supply; vacancy levels are expected to remain steady to slightly increasing over the next 12 months as significant new inventory is added to the market. The region's average rental rate has consistently increased over the past couple of years and is expected to continue rising over the next 12 months. However, rental growth will likely moderate further and remain in the 3 to 5% range. Overall, the region is poised for sustained growth and strong market conditions in the multifamily sector in the near term.

Property Analysis

Land Description and Analysis

Land Description	
Land Area	261.00 acres; 11,369,160 SF
Source of Land Area	Other
Primary Street Frontage	Fiddymment
Shape	Irregular
Corner	Yes
Topography	Generally level and at street grade
Drainage	No problems reported or observed
Environmental Hazards	None reported or observed
Ground Stability	No problems reported or observed
Flood Area Panel Number	060243
Date	November 2, 2018
Zone	X
Description	Outside of 500-year floodplain
Insurance Required?	No
Zoning; Other Regulations	
Zoning Jurisdiction	City of Roseville
Zoning Designation	RS/DS, R3, CC, P/R
Description	Small lot residential, development standard overlay; attached housing; community commercial; park and recreation
Legally Conforming?	Appears to be legally conforming
Zoning Change Likely?	No
Other Land Use Regulations	None reported or observed
Utilities	
Service	Provider
Water	City of Roseville
Sewer	City of Roseville
Electricity	Roseville Electric
Natural Gas	PG&E
Local Phone	Comcast, CCI, AT&T

We are not experts in the interpretation of zoning ordinances. An appropriately qualified land use attorney should be engaged if a determination of compliance with zoning is required.

Zoning and Entitlements

Zoning information for the appraised properties is presented below:

Zoning:	CC– Community Commercial
Purpose:	This land use designation provides for a broad range of retail goods and services, which can accommodate developments including conventional

neighborhood shopping centers (typically anchored by a grocer) and larger-scale commercial centers (sometimes referred to as 'Power Centers').

Zoning: R3/DS – Attached Housing/Development Standards

Purpose: The Attached Housing district is intended for multiple-family housing. The types of land use intended for the R3 zoning district include apartments, condominiums, town homes and similar or related compatible uses. The development standard (DS) district is an overlay district which allows modification of the specified development standards in general zone districts including any or all of the following development standards: 1) minimum lot size, 2) minimum lot depth, 3) maximum lot depth, 4) minimum yard setbacks, 5) maximum coverage, 6) minimum usable open space, 7) maximum building height, 8) principal building types, 9) minimum landscaping setbacks and 10) minimum parking ratios.

Zoning: RS/DS – Small Lot Residential/Development Standards

Purpose: The small lot residential district is intended to allow either attached or detached single-family dwellings, and similar and related compatible uses.

Zoning: PR – Parks and Recreation

Purpose: This land use designation is applied to parcels where formal, developed park facilities are planned.

Zoning: P/QP – Public/Quasi Public

Purpose: This land use designation accommodates a variety of public-serving uses and facilities. These sites will provide for public schools (one middle school and three elementary schools), a church, and a fire station. In addition, sites for the construction of various essential service facilities are provided throughout the Plan Area, in accordance with requirements of the City's utility departments. These include facilities for an electric substation, groundwater wells, water treatment, water storage tanks, and solid waste recycling.

Entitlements

A summary of the current legal (entitlements) and physical status of the appraised properties is shown in the following table.

Entitlements	
Description	No. Homes/Units/Lots
Completed Single-Family Homes without Assessed Improvement Values	137
Partially Completed Single Family Homes (Under Construction)	124
Finished Single-Family Lots	301
Unimproved Residential Lots	<u>1,492</u>
Subtotal	2,054
Multi-family Residential Units	472
Community Commercial Parcels	1
Total	2,527

All improved single-family residential homes and lots (566 in total, including 4 homes not appraised herein) have final maps in place. The 1,492 unimproved residential lots have tentative subdivision maps; additionally, Phase 2I improvements plans are approved and final maps are ready to record and Phase 2J final maps are anticipated to be recorded in third quarter 2019. The one commercial parcel (F-6D), as well as the two multifamily residential parcels (F-6B and F-8A), have zoning in place for development.

Mitigation

According to the master developer, all environmental mitigation requirements have been met for the project.

Offsite Improvements

As of the date of inspection, a portion of the off-site improvements (streets, curbs, gutters, sidewalks, streetlights) were in place along Hayden and Holt Parkways and all were in place along Fiddymment Road. As the interior access roads are completed, these off-site improvements will be required as part of the site work.

Backbone Infrastructure

According to supplied cost budget information, total remaining infrastructure costs are about \$35,320,000 (Phases 2 and 3). Bond proceeds from this sale will be used to construct remaining eligible backbone infrastructure in Phases 2 and 3. Excess funds will be applied toward the remaining shortfall from Phase 2. However, \$18,280,000 of these costs are not eligible to be funded by the bonds; as such, our analysis will consider these costs.

In-Tract Development Costs

Specific in-tract cost budgets were not provided. As such, we have used estimates of \$46,000 per LDR lot and \$44,000 per MDR lot, which is generally consistent with our observations in the market. As will be shown in the analysis that follows, typical site costs in various projects in West Roseville have recently ranged between \$38,000 and \$55,000, with most of the data lying toward the middle of this range. For the reader's reference, the multifamily and commercial components do not have in-tract costs like the single-family sites.

Permits and Fees

According to information provided, permits and fees due at building permit average \$70,397 per LDR lot, and \$66,133 per MDR lot, which will be used in our analysis.

Environmental Hazards

An environmental assessment report was not provided for review, and during our inspection, we did not observe any obvious signs of contamination on or near the subject. However, environmental issues are beyond our scope of expertise. It is assumed that the property is not adversely affected by environmental hazards.

Easements, Encroachments and Restrictions

We were not provided a current title report to review. We are not aware of any easements, encroachments, or restrictions that would adversely affect value. Our valuation assumes no adverse impacts from easements, encroachments, or restrictions, and further assumes that the subject has clear and marketable title.

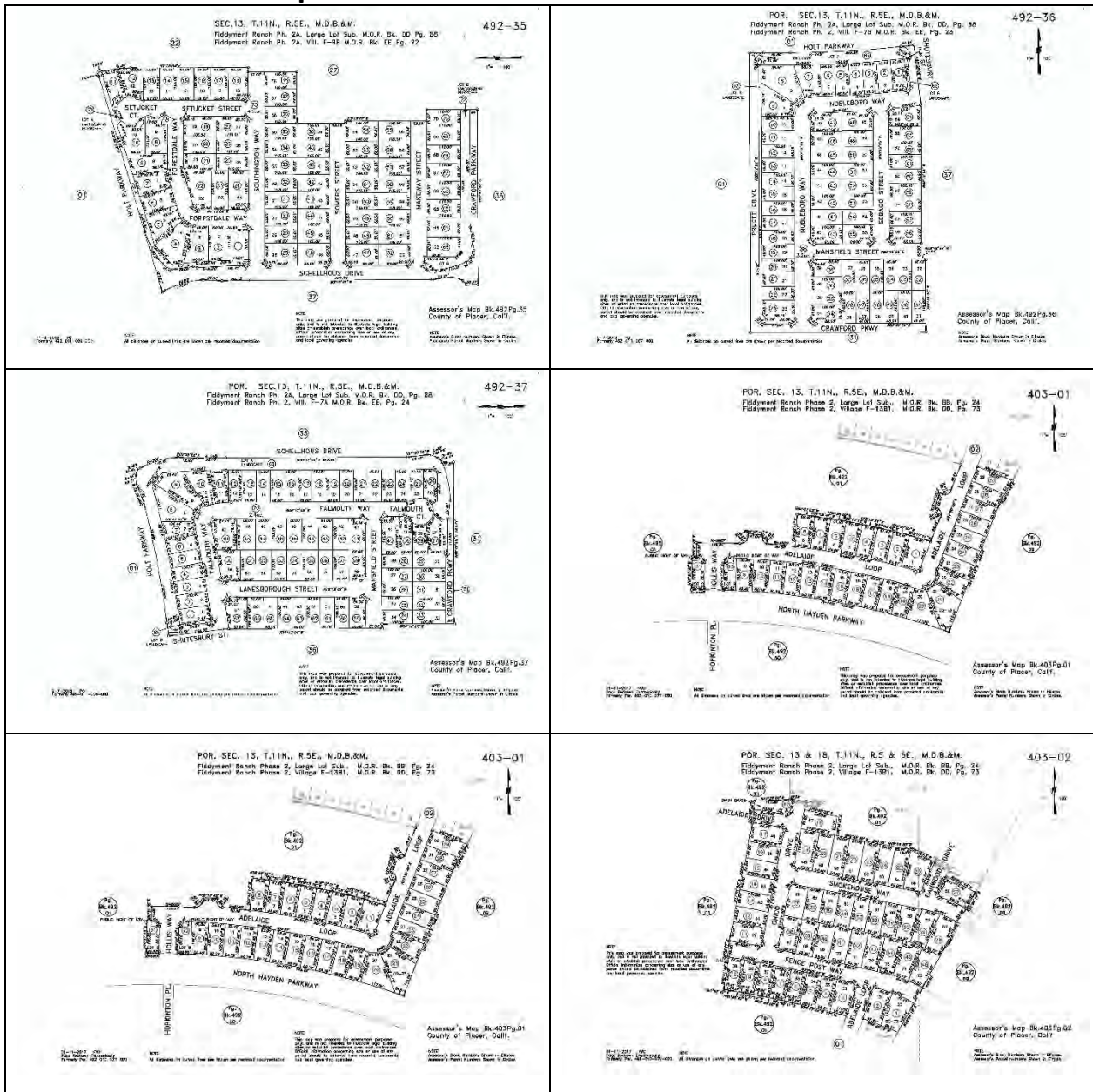
Seismic Hazards

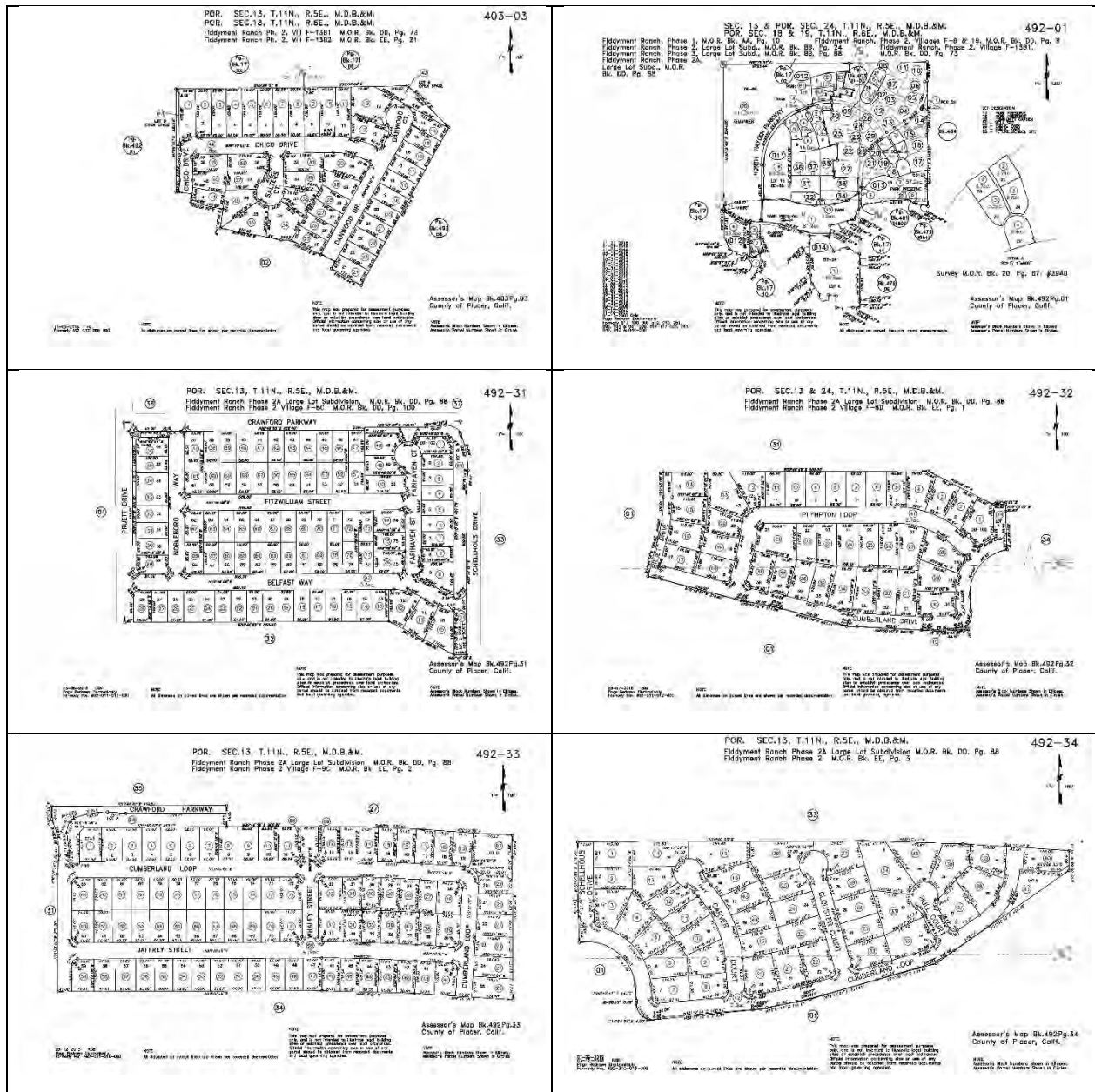
According to the Seismic Safety Commission, the subject property is located within Zone 3, which is considered to be the lowest risk zone in California. There are only two zones in California: Zone 4, which is assigned to areas near major faults; and Zone 3, which is assigned to all other areas of more moderate seismic activity. In addition, the subject is not located in a Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone), as defined by Special Publication 42 (revised January 1994) of the California Department of Conservation, Division of Mines and Geology.

Conclusion of Land Analysis

Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses including those permitted by zoning. We are not aware of any other particular restrictions on development.

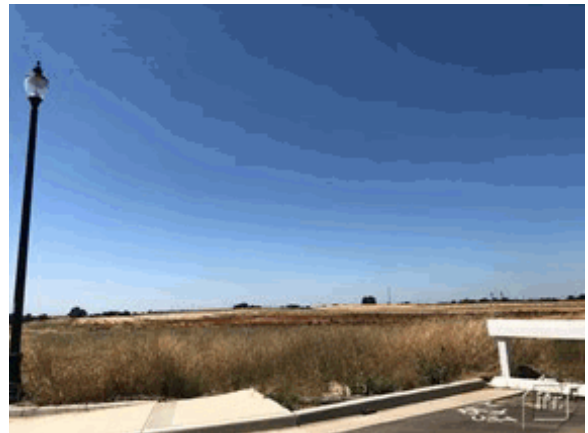
Assessor's Parcel Maps





Aerial

Source: GoogleMaps; boundary lines are approximate; aerial not representative of current development.

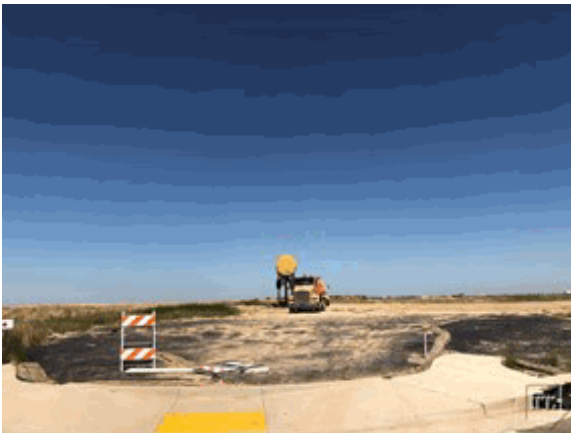














Real Estate Taxes

The property tax system in California was amended in 1978 by Article XIII to the State Constitution, commonly referred to as Proposition 13. It provides for a limitation on property taxes and for a procedure to establish the current taxable value of real property by reference to a base year value, which is then modified annually to reflect inflation (if any). Annual increases cannot exceed 2% per year.

The base year was set at 1975-76 or any year thereafter in which the property is substantially improved or changes ownership. When either of these two conditions occurs, the property is to be re-appraised at market value, which becomes the new base year assessed value. Proposition 13 also limits the maximum tax rate to 1% of the value of the property, exclusive of bonds and direct charges. Bonded indebtedness approved prior to 1978, and any bonds subsequently approved by a two-thirds vote of the district in which the property is located, can be added to the 1% tax rate.

According to the Placer County Treasurer-Tax Collector's Office, the appraised properties have a cumulative annual tax rate of 1.085576% based on assessed value.

Special Assessments

All of the appraised properties are encumbered by the Fiddymment Ranch Community Facilities District (CFD) No. 5 as well as CFD Nos. 2 and 3. The annual special tax levy on the appraised properties, as of the 2018/19 tax year, are shown in the following table.

Fiddymment Ranch CFD No. 5

Proposed Land Use	Special Tax Per Lot/Unit/Acre
LDR	\$1,792
MDR	\$1,379
HDR (Market Rate)	\$689 /unit
HDR (Affordable)	\$345
Commercial	\$6,893

City of Roseville CFD No. 2 (Services)

Proposed Land Use	Special Tax Per Lot/Unit/Acre
LDR	\$684
MDR	\$630
HDR (Market Rate)	\$2,393 /acre
HDR (Affordable)	\$201
Commercial	\$1,449

City of Roseville CFD No. 3, Municipal Services

Proposed Land Use	Special Tax Per Lot/Unit/Acre
LDR	\$440
MDR	\$440
HDR (Market Rate)	\$294 /unit
HDR (Affordable)	\$147
Commercial	\$2,409

It is noted Fiddymment Ranch CFD #1 has an annual maximum escalation of 2%, while CFDs #2 and #3 have a maximum escalation at 4% per year.

Highest and Best Use

Process

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as if vacant, and as improved or proposed. By definition, the highest and best use must be:

- Legally permissible under the zoning regulations and other restrictions that apply to the site.
- Physically possible.
- Financially feasible.
- Maximally productive, i.e., capable of producing the highest value from among the permissible, possible, and financially feasible uses.

Highest and Best Use As If Vacant

Legally Permissible

The legal factors influencing the highest and best use of the appraised properties are primarily government regulations, such as zoning and building codes. The appraised properties are zoned and approved for single- and multi-family residential development and commercial uses. Overall, the legally permissible uses are to develop the appraised properties in accordance with the existing entitlements and land use designations, which have undergone extensive planning and review. A re-zone to any other land use is highly unlikely. Additionally, the above land uses are consistent with the City of Roseville General Plan and the West Roseville Specific Plan.

Physically Possible

The physical characteristics of a site that affect its possible use(s) include, but are not limited to, location, street frontage, visibility, access, size, shape, topography, availability of utilities, offsite improvements, easements and soil and subsoil conditions. The legally permissible test has resulted in uses consistent with the existing entitlements (i.e., single-family development, as well as commercial use); at this point the physical characteristics are examined to see if they are suited for the legally permissible uses.

The physical characteristics of the appraised properties support development. The Westbrook project has good access and project roadways connect the various lots within the development. Public utilities are also in place to support development. The subject is not located in an adverse earthquake or flood zone. Surrounding land uses are compatible and/or similar to the legally permissible use. Existing development in Westbrook provides support that soils are adequate for development.

In summary, both residential and commercial uses are considered physically possible.

Financially Feasible

Financial feasibility depends on supply and demand influences. With respect to financial feasibility of single-family residential development, in recent months merchant builders have acquired unimproved lots in South Placer County for near term construction, and there are multiple active projects in the area that demonstrate demand for new homes. Finished lots are transferring for prices that exceed

the sum of unimproved lots and site development costs, which indicates completion of site development is financially feasible.

Regarding development of the commercial sites, it is our opinion that construction on the commercial land may not be financially feasible at this time. Many developers that hold title to commercial land are holding for development until the market further stabilizes. Overall, the timing of future retail development depends on the continued appreciation in market rent to support new construction, unless in build-to-suit situations.

Maximally Productive

Legal, physical and market conditions have been analyzed to evaluate the highest and best use of the appraised properties as vacant. The analysis is presented to evaluate the type of use(s) that will generate the greatest level of future benefits possible to the property. Based on the factors previously discussed, the maximally productive use of the appraised properties, and its highest and best use as vacant, is for near term single-family residential development. The highest and best use as vacant for the retail land sites, is for an interim hold until demand warrants construction.

Highest and Best Use as Improved

Highest and best use of the property as improved pertains to the use that should be made in light of its current improvements.

In the case of undeveloped land under development, consideration must be given to whether it makes sense to demolish existing improvements (either on-site or off-site improvements) for replacement with another use. The time and expense to demolish existing improvements, re-grade, reroute utilities or re-map must be weighed against alternative uses. If the existing or proposed improvements are not performing well, then it may produce a higher return to demolish existing improvements, if any, and re-grade the site for development of an alternative use.

Based on the current condition, the improvements completed contribute to the overall property value. The value of the subject as improved exceeds its value as vacant less demolition. The highest and best use of the subject as improved is for completion of the last remaining single-family home.

Probable Buyers

The probable buyers of the various components of the subject are as follows:

- Commercial parcel: Land speculator or developer
- Multi-family parcels: Land speculator or developer
- Unimproved lots: merchant builders
- Completed homes: Individual homeowners

Valuation

Valuation Methodology

Appraisers usually consider three approaches to estimating the market value of real property. These are the cost approach, sales comparison approach and the income capitalization approach.

The **cost approach** assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The **sales comparison approach** assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data. The sales comparison approach is less reliable in an inactive market or when estimating the value of properties for which no directly comparable sales data is available. The sales comparison approach is often relied upon for owner-user properties.

The **income capitalization approach** reflects the market's perception of a relationship between a property's potential income and its market value. This approach converts the anticipated net income from ownership of a property into a value indication through capitalization. The primary methods are direct capitalization and discounted cash flow analysis, with one or both methods applied, as appropriate. This approach is widely used in appraising income-producing properties.

Additional analyses often undertaken in the valuation of subdivisions include **extraction, land residual analysis**, and the **subdivision development method**.

Reconciliation of the various indications into a conclusion of value is based on an evaluation of the quantity and quality of available data in each approach and the applicability of each approach to the property type.

Market Valuation – Floor Plans

The market values of the subject's floor plans are estimated in this section. The objective of the analyses is to estimate the base price per floor plan, net of incentives, upgrades and lot premiums. Incentives can take the form of direct price reductions or non-price incentives such as upgrades or non-recurring closing costs. The base price pertains to the typical lot size within each project. The sales comparison approach to value is employed in order to establish the market values for each floor plan.

This approach is based on the economic principle of substitution. According to *The Appraisal of Real Estate*, 14th Edition (Chicago: Appraisal Institute, 2013), *"The principle of substitution holds that the value of property tends to be set by the cost of acquiring a substitute or alternative property of similar utility and desirability within a reasonable amount of time."* The sales comparison approach is applicable when there are sufficient recent, reliable transactions to indicate value patterns or trends in the market.

The proper application of this approach requires obtaining recent sales data for comparison with the appraised properties. In order to assemble the comparable sales, we searched public records and other data sources for leads, then confirmed the raw data obtained with parties directly related to the transactions (primarily brokers, buyers and sellers).

As requested, we will estimate the market value of the smallest floor plan offered within each subdivision in the CFD, as of the date of value, June 4, 2019, to apply to those lots with completed single-family homes *without* a complete assigned assessed improvement value. The objective of the analyses is to estimate the base price of the smallest floor plan, net of incentives, upgrades and lot premiums. Base price pertains to the typical (median) lot size within the subject. The sales comparison approach to value is employed in order to establish the market values for each floor plan.

A summary of the projects within the boundaries of the City of Roseville CFD No. 5 (Fiddymment Ranch) is provided on the following pages.

Northwood by JMC Homes

Plan	Living Area (SF)	Stories	Bedrooms	Bathrooms	Garage Size	Base Price
1	1,454	1	3	2	2	\$429,990
2	1,455	1	3	2	2	\$439,990
3	1,456	1	3	2	2	\$439,990

Summerwood by JMC Homes

Plan	Living Area (SF)	Stories	Bedrooms	Bathrooms	Garage Size	Base Price
1	1,486	1	3	2	2	\$449,990
2	1,686	1	3	2	2	\$469,990
3	1,887	1	4	3	3	\$484,990
4	2,186	1	4	3	3	\$499,990

Wildwood by JMC Homes

Plan	Living Area (SF)	Stories	Bedrooms	Bathrooms	Garage Size	Base Price
1	2,039	1	4	3	3	\$534,990
2	2,459	1	4	3	3	\$574,990
3	3,121	2	5	4.5	4	\$634,990
4	2,871	2	4	3.5	3	\$609,990
5	3,092	2	6	4	2 + tandem	\$669,990

Woodbridge by Signature Homes

Plan	Living Area (SF)	Stories	Bedrooms	Bathrooms	Garage Size	Base Price
1	1,994	1	3	2.5	2	\$525,532
2	2,578	2	4	3.5	2	\$548,348
3	2,835	2	4	4.5	2	\$581,186
4	3,186	2	4	4.5	3	\$598,418

Valleybrook by JMC Homes

Plan	Living Area (SF)	Stories	Bedrooms	Bathrooms	Garage Size	Base Price
1	2,855	1	4	3	3	\$639,990
2	2,925	1	4	4	3	\$689,990
3	3,566	2	5	4.5	3	\$749,990
4	3,877	2	5	5	3	\$769,990
5	4,001	2	5	4.5	3	\$769,990

Corvara by Lennar Homes

Plan	Living Area (SF)	Stories	Bedrooms	Bathrooms	Garage Size	Base Price
1	2,110	2	4	3	2	\$506,990
2	2,365	2	4	3	2	\$523,990
3	2,617	2	5	3	2	\$534,990
4	2,786	2	4	3.5	2	\$548,990

Monterosa by Lennar Homes

Plan	Living Area (SF)	Stories	Bedrooms	Bathrooms	Garage Size	Base Price
1	1,945	1	3	2	2	\$504,990
2	2,145	1	4	2.5	2	\$528,990
3	2,874	2	5	3	2 + tandem	\$566,990
4	3,312	2	4	3.5	2 + tandem	\$616,990

The following projects with completed homes to be appraised within the CFD are summarized in the following table.

Floor Plan Summary						
Project	Living Area (SF)	Room Count		Stories	Garage	Typical Lot Size
Woodbridge	1,994	3	2.5	One	2 Car	5,250
Summerwood	1,486	3	2.0	One	2 Car	5,700
Northwood	1,454	3	2.0	One	2 Car	5,125
Valleybrook	2,925	4	4.0	One	3 Car	7,475
Wildwood	2,039	4	3.0	One	3 Car	6,300
Corvara	2,110	4	3	Two	2 Car	4,500
Monterosa	1,945	3	2	One	2 Car	5,775

The comparable sales are summarized in the following table.

Sales Summary										
No.	Location	Date	Sale Price	Living Area (SF)	Bedroom	Bathroom	Lot Size (SF)	Year Built	Garage	Stories
1	2281 Provincetown Way	May-19	\$439,990	1,486	3	2.0	6,196	2018	2 Car	One
2	6032 Belfast Way	Apr-19	\$449,990	1,486	3	2.0	5,227	2019	2 Car	One
3	2008 Provincetown Way	Jan-19	\$459,990	1,486	3	2.0	5,653	2018	2 Car	One
4	6040 Belfast Way	Mar-19	\$509,990	1,887	4	3.0	5,227	2019	2 Car	One
5	4009 Southamptom Street	Feb-19	\$494,990	1,887	4	3.0	5,881	2019	2 Car	One
6	1033 Oabriar Cir	Apr-19	\$455,000	1,845	3	2.5	3,049	2018	2 Car	Two
7	1089 Fence Post Way	Apr-19	\$526,356	1,994	3	2.5	5,330	2019	2 Car	One
8	3328 Welton Circle	Feb-19	\$418,990	1,974	3	2.5	3,600	2019	2 Car	Two
9	6096 Twin Suns Street	Feb-19	\$465,000	2,018	3	2.0	5,000	2018	2 Car	One
10	3128 Jaffrey Street	Feb-19	\$529,990	2,039	4	3.0	6,504	2019	3 Car	One
11	6137 Parkminster Way	Dec-18	\$514,966	2,166	3	2.5	6,459	2018	2 Car	One
12	8033 Pegasus Street	Jan-19	\$497,500	2,119	4	3.0	6,000	2018	2 Car	One
14	3152 Jaffrey Street	Mar-19	\$624,990	3,092	6	4.0	7,288	2019	2 Car + tandem	Two
15	5001 Chico Drive	Apr-19	\$580,000	2,835	4	3.5	6,383	2019	2 Car	Two
16	3112 Jaffrey Street	Mar-19	\$609,990	2,871	4	3.5	6,504	2019	3 Car	One

Discussion of Adjustments

The sales are compared to the subject and adjusted to account for material differences that affect value. Adjustments are considered for the following factors, in the sequence shown below.

Adjustment Factor	Accounts For	Comments
Total Consideration	The appraised properties are analyzed based on the total consideration of home price and the assumption of bonds, if any. Bond debt has a direct impact on the amount for which the end product will sell.	In an effort to account for the impact of bond indebtedness on the sales price, we establish a present value amount for the bond encumbrance based on the annual special tax assessment (escalators are not taken into account), and the remaining term from the date of sale. Most of the comparables are encumbered by bonds; thus, the present value of the bonds is considered in this analysis to determine the total consideration with each sale with existing bond debt. Please note, the present value calculation is based on a fixed year expiration or 30 years, whichever is shorter.
Upgrades and Incentives	The objective of the analysis is to estimate the base value per floor plan, net of incentives. Incentives can take the form of direct price reductions or non-price incentives such as upgrades or non-recurring closing costs.	Incentives and upgrades included in the sales have been considered and adjusted for in this analysis.
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.	All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.	The comparable sales were cash to the seller transactions and do not require adjustments.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale.	The comparables did not involve any non-market or atypical conditions of sale. Adjustments for this factor do not apply.

Adjustment Factor	Accounts For	Comments
Market Conditions (Date of Sale, Phase Adjustment)	The market conditions vary over time, but the date of this appraisal is for a specific point in time. In a dynamic economy – one that is undergoing changes in the value of the dollar, interest rates and economic growth or decline – extra attention needs to be paid to assess changing market conditions. Significant monthly changes in price levels can occur in several areas of a neighborhood, while prices in other areas remain relatively stable. Although the adjustment for market conditions is often referred to as a time adjustment, time is not the cause of the adjustment.	According to information published by The Gregory Group, and as shown previously within the <i>Residential Market</i> section of this appraisal, new home pricing has been relatively stable to moderately increasing in the subject's market area during the past few quarters. Several of the comparable sales went into contract and closed escrow within the past few months and do not require adjustments. Based on the trending in pricing at the respective projects, we have applied a moderate market adjustment for those comparables that sold in Q4 2018.
Location	Location is a very important factor to consider when making comparisons. The comparables need not be in the same neighborhood but should be in neighborhoods that offer the same advantage and have, in general, the same overall desirability to the most probable buyer or user.	All of the comparables are located in West Roseville and no adjustments are warranted.
Community Appeal	In addition to market location adjustments, we consider community appeal adjustments. Even within a specific market location, often specific community characteristics influence sale prices. Often, prices on one street may be significantly higher or lower than the next, despite similar home characteristics. Community characteristics that may influence sale prices include a gated amenity or the condition of surrounding development.	All of the comparables are located within similar areas of the city of Roseville, and no adjustments are required.

Lot Size	The lot size adjustment pertains to the differences between the subject's average lot size and comparables with either larger or smaller lots. It does not include any lot premium adjustments, which are adjusted for separately. The amount of the adjustment used in the comparison of the base lot sizes comes from a survey of premiums paid for larger lots.	Considering the average lot size adjustment factors indicated by the comparable sales utilized in this analysis, a lot size adjustment factor of \$7.00/SF is considered reasonable for the subject's residential lots. This figure is supported by our observations of sales in the subject's market area.
Lot Premiums/ Discounts	Properties sometimes achieve premiums for corner or cul-de-sac positioning, or proximity to open space or views. Adjustments for lot position premiums would be in addition to lot size adjustments previously considered.	Appropriate adjustments are applied based upon information provided by the on-site sales agents with regard to lot discounts on specific sales. Specifically, those that back up to busy thoroughfares receive an upward adjustment.
Design and Appeal	Design and appeal of a floor plan is consumer specific. One exterior may appeal to one buyer, while another appeals to a different buyer. These types of features for new homes with similar functional utility are not typically noted in the base sales prices.	All of the comparables are similar to the subject in regard to design and appeal.
Quality of Construction	Construction quality can differ from slightly to substantially between projects and is noted in the exterior and interior materials and design features of a standard unit. In terms of quality of construction, the subject represents good construction quality.	Most of the comparable sales feature similar construction quality and do not require adjustments. However, slight adjustments are made to those comparables with upgrades and/or inferior quality finishes.
Age/Condition	When comparing resale to resale, the market generally reflects a difference of 1% per year of difference in effective age.	All of the comparables represent new construction and adjustments for this element of comparison do not apply.

Functional Utility	Ability to adequately provide for its intended purpose.	The appraised properties and comparables represent traditional detached single-family residential construction on similar lot size categories as the subject. Adjustments for this factor do not apply.
Room Count	For similar size units the differences between room count is a buyer preference. One buyer might prefer two bedrooms and a den versus a three-bedroom unit. Extra rooms typically result in additional building area and are accounted for in the size adjustment. Therefore, no adjustments are made for number of total rooms or bedrooms.	Because bathrooms are a functional item for each floor plan and add substantial cost due to the number of plumbing fixtures, an adjustment is made for the difference in the number of fixtures between the subject and the comparable sales. The adjustment is based on an amount of \$5,000 per fixture (or half-bath) and is supported by cost estimates for an average quality home in the Residential Cost Handbook, published by the Marshall and Swift Corporation. Considering the fact that plumbing upgrades for existing bathrooms generally range from \$5,000 to over \$25,000 for the various fixtures, the \$5,000 per fixture, or half-bath, is supported. Consequently, a factor of \$10,000 per full bath is also applied in our analysis.
Unit Size/Living Area	Units similar (in the same development), except for size, were compared to derive the applicable adjustment for unit size. Those used for comparison purposes, are units within similar projects. Units within the same project were used since they have a high degree of similarity in quality, workmanship, design and appeal. Other items such as a single level or two-story designs, number of bathrooms and number of garage spaces were generally similar in these comparisons, in order to	The typical range indicated by the paired units in this analysis generally demonstrated a value range from approximately \$50 to upwards of \$100 per square foot. Considering the information cited above, a factor of \$80 per square foot is concluded to be appropriate and reasonable for the difference in living area between the subject and the comparables, given the quality of the product.

	avoid other influences in price per square foot. Where differences exist, they are minor and do not impact the overall range or average concluded.	
Number of Stories	For similar size units, the differences between the number of stories is a buyer preference. One buyer might prefer a single-story versus a two-story unit.	In current market conditions, single story floor plans typically demand a slight premium. As such, an adjustment of 3-5% is applied for story differences.
Parking/Garage	Number of garage spaces	The subject's floor plans and most of the comparables offer two-car and three car garages. Our survey of local real estate professionals indicates a premium value of approximately \$15,000 for a full garage space, and approximately half of this amount (or \$7,500) per tandem garage space.
Landscaping	Included landscaping	The subject and comparables include only front yard landscaping; no adjustments apply.

Adjustment Grids

The following pages include grids reflecting the aforementioned adjustments.

Woodbridge by Signature Homes											
Project Information		Subject Property		Comparable 7		Comparable 8		Comparable 9		Comparable 10	
Project Name		Woodbridge		Woodbridge		Oakbriar		Blume		Wildwood	
Plan		Plan 1		Plan 1		Residence 3		Stella		Residence 1	
Address/Lot Number				1089 Fence Post Way		3328 Welton Circle		6096 Twin Suns Street		3128 Jaffrey Street	
City/Area		Roseville		Roseville		Roseville		Roseville		Roseville	
Price		N/Ap		\$526,356		\$418,990		\$465,000		\$529,990	
Price Per SF		N/Ap		\$263.97		\$212.25		\$230.43		\$259.93	
Special Taxes		\$29,190		\$29,190		\$27,935		\$27,935		\$29,190	
Total Consideration				\$555,546		\$446,925		\$492,935		\$559,180	
Total Consideration per SF				\$278.61		\$226.41		\$244.27		\$274.24	
Data Source		MLS		MLS		MLS		MLS		MLS	
Incentives		N/Ap		No		\$0		\$0		\$0	
Upgrades		Base		Upgrades		\$0		\$0		\$0	
Effective Base Sales Price				\$555,546		\$446,925		\$492,935		\$559,180	
Adjustments:		Factor		Description		+ / (-)		Description		+ / (-)	
Property Rights		Fee Simple		Similar				Similar			
Financing Terms		Cash Equivalent		Similar				Similar			
Conditions of Sale		Market		Market				Market			
Market Conditions											
Date of Sale		MV 6/4/2019		4/29/2019		2/1/2019		2/1/2019		2/1/2019	
Project Location		Roseville		Roseville		Roseville		Roseville		Roseville	
Community Appeal		Average		Similar		Similar		Inferior		\$24,647	
Lot Size		\$7.00		5,250		5,330		(\$560)		3,600	
Lot Premium		N/Ap		Similar		None		\$11,550		5,000	
Design and Appeal		Average		Similar		Similar		None		\$1,750	
Quality of Construction		Good		Sl. Superior		(\$16,666)		Inferior		6,504	
Age (Total/Effective)		New		Similar		Similar		\$22,346		None	
Condition		Good/New		Similar		Similar		Similar		None	
Functional Utility		Average		Similar		Similar		Similar		None	
Room Count											
Bedrooms		3		3		3		3		4	
Baths		\$10,000		2.5		2.5		\$0		2	
Living Area (SF)		\$80.00		1,994		1,994		\$1,600		2,018	
Number of Stories		One		One		Two		\$22,346		One	
Heating/Cooling		Central/Forced		Similar		Similar		Similar		Similar	
Garage		2 Car		2 Car		2 Car		2 Car		3 Car	
Landscaping		Front		Similar		Similar		Similar		Similar	
Pool/Spa		None		Similar		Similar		Similar		Similar	
Patios/Decks		Patio		Similar		Similar		Similar		Similar	
Fencing		Rear		Similar		Similar		Similar		Similar	
Fireplace(s)		None		Similar		Similar		Similar		Similar	
Kitchen Equipment		Average		Similar		Similar		Similar		Similar	
Other		None		Similar		Similar		Similar		Similar	
Gross Adjustments						\$17,226		\$57,843		\$33,317	
Net Adjustments						(\$17,226)		\$57,843		\$29,477	
Adjusted Retail Value						\$538,319		\$504,768		\$522,412	
Concluded Retail Value											
Indicated Value Per SF											

Adjustments were necessary to account for differences between these homes and the subject's floor plan. As adjusted, the comparables indicate a range of \$504,768 to \$538,319. We have concluded a value estimate of \$525,000 for the subject's Woodbridge floor plan.

Summerwood by JMC Homes							
Project Information	Subject Property	Comparable 1		Comparable 2		Comparable 3	
Project Name	Summerwood	Summerwood		Summerwood		Summerwood	
Plan	Plan 1	Residence 1		Residence 1		Residence 1	
Address/Lot Number		2281 Provincetown Way		6032 Belfast Way		2008 Provincetown Way	
City/Area	Roseville	Roseville		Roseville		Roseville	
Price	N/Ap		\$439,990		\$449,990		\$459,990
Price Per SF	N/Ap	\$296.09		\$302.82		\$309.55	
Special Taxes	\$29,190		\$29,108		\$29,190		\$29,108
Total Consideration			\$469,098		\$479,180		\$489,098
Total Consideration per SF		\$315.68		\$322.46		\$329.14	
Data Source		MLS		MLS		MLS	
Incentives	N/Ap	No	\$0	No	\$0	No	\$0
Upgrades	Base	Upgrades	\$0	Upgrades	\$0	Upgrades	(\$25,000)
Effective Base Sales Price			\$469,098		\$479,180		\$464,098

Adjustments:	Factor	Description	+ / (-)	Description	+ / (-)	Description	+ / (-)
Property Rights		Fee Simple	Similar	Similar		Similar	
Financing Terms		Cash Equivelant	Similar	Similar		Similar	
Conditions of Sale		Market		Market		Market	
Market Conditions							
Date of Sale	MV 6/4/2019	5/28/2019		4/18/2019		1/3/2019	
Project Location	Roseville	Roseville		Roseville		Roseville	
Community Appeal	Average	Similar		Similar		Similar	
Lot Size	\$7.00 5,700	6,196	(\$3,472)	5,227	\$3,311	5,653	\$329
Lot Premium	N/Ap	Similar		None		None	
Design and Appeal	Average	Similar		Similar		Similar	
Quality of Construction	Good	Similar		Similar		Similar	
Age (Total/Effective)	New	Similar		Similar		Similar	
Condition	Good/New	Similar		Similar		Similar	
Functional Utility	Average	Similar		Similar		Similar	
Room Count							
Bedrooms	3	3		3		3	
Baths	\$10,000 2	2	\$0	2	\$0	2	
Living Area (SF)	\$80.00 1,486	1,486	\$0	1,486	\$0	1,486	\$0
Number of Stories	One	One		One		One	
Heating/Cooling	Central/Forced	Similar		Similar		Similar	
Garage	2 Car	2 Car		2 Car		2 Car	
Landscaping	Front	Similar		Similar		Similar	
Pool/Spa	None	Similar		Similar		Similar	
Patios/Decks	Patio	Similar		Similar		Similar	
Fencing	Rear	Similar		Similar		Similar	
Fireplace(s)	None	Similar		Similar		Similar	
Kitchen Equipment	Average	Similar		Similar		Similar	
Other	None	Similar		Similar		Similar	
Gross Adjustments			\$3,472		\$3,311		\$329
Net Adjustments			(\$3,472)		\$3,311		\$329
Adjusted Retail Value			\$465,626		\$482,491		\$464,427

Concluded Retail Value	\$470,000
Indicated Value Per SF	\$316.29

As adjusted, the comparables provide a range of indicators of \$464,427 to \$482,491. We utilized a value toward the middle of the data set and conclude an estimate of \$470,000 for the subject's Summerwood floor plan.

Northwood by JMC Homes											
Project Information		Subject Property		Comparable 1		Comparable 2		Comparable 3			
Project Name		Northwood		Summerwood		Summerwood		Summerwood			
Plan		Plan 1		Residence 1		Residence 1		Residence 1			
Address/Lot Number				2281 Provincetown Way		6032 Belfast Way		2008 Provincetown Way			
City/Area		Roseville		Roseville		Roseville		Roseville			
Price		N/Ap		\$439,990		\$449,990		\$459,990			
Price Per SF		N/Ap		\$296.09		\$302.82		\$309.55			
Special Taxes		\$29,190		\$29,108		\$29,108		\$29,108			
Total Consideration				\$469,098		\$479,098		\$489,098			
Total Consideration per SF				\$315.68		\$322.41		\$329.14			
Data Source		MLS		MLS		MLS					
Incentives		N/Ap		No		\$0		No			
Upgrades		Base		Upgrades		\$0		Upgrades			
Effective Base Sales Price				\$469,098		\$479,098		\$464,098			
Adjustments:		Factor		Description		+ / (-)		Description		+ / (-)	
Property Rights		Fee Simple		Similar		Similar		Similar			
Financing Terms		Cash Equivalent		Similar		Similar		Similar			
Conditions of Sale		Market		Market		Market		Market			
Market Conditions											
Date of Sale		MV 6/4/2019		5/28/2019		4/18/2019		1/3/2019			
Project Location		Roseville		Roseville		Roseville		Roseville			
Community Appeal		Average		Similar		Similar		Similar			
Lot Size		\$7.00 5,125		6,196		(\$7,497) 5,227		(\$714) 5,653		(\$3,696)	
Lot Premium		N/Ap		Similar		None		None			
Design and Appeal		Average		Similar		Similar		Similar			
Quality of Construction		Good		Similar		Similar		Similar			
Age (Total/Effective)		New		Similar		Similar		Similar			
Condition		Good/New		Similar		Similar		Similar			
Functional Utility		Average		Similar		Similar		Similar			
Room Count											
Bedrooms		3		3		3		3			
Baths		\$10,000 2		2		\$0 2		\$0 2			
Living Area (SF)		\$80.00 1,454		1,486		(\$2,560) 1,486		(\$2,560) 1,486		(\$2,560)	
Number of Stories		One		One		One		One			
Heating/Cooling		Central/Forced		Similar		Similar		Similar			
Garage		2 Car		2 Car		2 Car		2 Car			
Landscaping		Front		Similar		Similar		Similar			
Pool/Spa		None		Similar		Similar		Similar			
Patios/Decks		Patio		Similar		Similar		Similar			
Fencing		Rear		Similar		Similar		Similar			
Fireplace(s)		None		Similar		Similar		Similar			
Kitchen Equipment		Average		Similar		Similar		Similar			
Other		None		Similar		Similar		Similar			
Gross Adjustments						\$10,057		\$3,274		\$6,256	
Net Adjustments						(\$10,057)		(\$3,274)		(\$6,256)	
Adjusted Retail Value						\$459,041		\$475,824		\$457,842	
Concluded Retail Value		\$465,000									
Indicated Value Per SF		\$319.81									

Adjustments were necessary to account for differences between these homes and the subject's floor plan. The sales provide a range of indicators of \$457,842 to \$475,824. A value of \$465,000 for the subject's Northwood floor plan appears reasonable.

Valleybrook by JMC Homes							
Project Information	Subject Property	Comparable 14		Comparable 15		Comparable 16	
Project Name	Valleybrook	Wildwood		Woodbridge		Wildwood	
Plan	Plan 1	Residence 5		Residence 3		Residence 4	
Address/Lot Number		3152 Jaffrey Street		5001 Chico Drive		3112 Jaffrey Street	
City/Area	Roseville	Roseville		Roseville		Roseville	
Price	N/Ap		\$624,990		\$580,000		\$609,990
Price Per SF	N/Ap	\$202.13		\$204.59		\$212.47	
Special Taxes	\$29,190		\$29,190		\$29,190		\$29,190
Total Consideration			\$654,180		\$609,190		\$639,180
Total Consideration per SF		\$211.57		\$214.88		\$222.63	
Data Source		MLS		MLS		MLS	
Incentives	N/Ap	No	\$0	No	\$0	No	\$0
Upgrades	Base	Upgrades	\$0	Upgrades	\$0	Upgrades	\$0
Effective Base Sales Price			\$654,180		\$609,190		\$639,180
Adjustments:	Factor	Description	+ / (-)	Description	+ / (-)	Description	+ / (-)
Property Rights	Fee Simple	Similar		Similar		Similar	
Financing Terms	Cash Equivalent	Similar		Similar		Similar	
Conditions of Sale	Market	Market		Market		Market	
Market Conditions							
Date of Sale	MV 6/4/2019	3/27/2019		4/11/2019		3/28/2019	
Project Location	Roseville	Roseville		Roseville		Roseville	
Community Appeal	Average	Similar		Similar		Similar	
Lot Size	\$7.00 7,475	7,288	\$1,309	6,383	\$7,644	6,504	\$6,797
Lot Premium	N/Ap	Similar		None		None	
Design and Appeal	Average	Similar		Similar		Similar	
Quality of Construction	Good	Similar		Similar		Similar	
Age (Total/Effective)	New	Similar		Similar		Similar	
Condition	Good/New	Similar		Similar		Similar	
Functional Utility	Average	Similar		Similar		Similar	
Room Count							
Bedrooms	4	6		4		4	
Baths	\$10,000 4	4	\$0	3.5	\$5,000	3.5	\$5,000
Living Area (SF)	\$70.00 2,925	3,092	(\$11,690)	2,835	\$6,300	2,871	\$3,780
Number of Stories	One	Two	\$19,625	Two	\$18,276	One	
Heating/Cooling	Central/Forced	Similar		Similar		Similar	
Garage	3 Car	2 Car + tandem	\$7,500	2 Car	\$15,000	3 Car	
Landscaping	Front	Similar		Similar		Similar	
Pool/Spa	None	Similar		Similar		Similar	
Patios/Decks	Patio	Similar		Similar		Similar	
Fencing	Rear	Similar		Similar		Similar	
Fireplace(s)	None	Similar		Similar		Similar	
Kitchen Equipment	Average	Similar		Similar		Similar	
Other	None	Similar		Similar		Similar	
Gross Adjustments			\$40,124		\$52,220		\$15,577
Net Adjustments			\$16,744		\$52,220		\$15,577
Adjusted Retail Value			\$670,924		\$661,409		\$654,757
Concluded Retail Value	\$662,000						
Indicated Value Per SF	\$226.32						

As adjusted, the comparables provide a range of indicators of \$654,757 to \$670,924. A value of \$662,000 for the subject's Valleybrook floor plan appears reasonable.

Wildwood by JMC Homes									
Project Information	Subject Property	Comparable 9		Comparable 10		Comparable 11		Comparable 11	
Project Name	Wildwood	Blume		Wildwood		Bromley		Treo	
Plan	Plan 1	Stella		Residence 1		Plan 1		Avery	
Address/Lot Number		6096 Twin Suns Street		3128 Jaffrey Street		6137 Parkminster Way		8033 Pegasus Street	
City/Area	Roseville	Roseville		Roseville		Roseville		Roseville	
Price	N/Ap		\$465,000		\$529,990		\$514,966		\$497,500
Price Per SF	N/Ap	\$230.43		\$259.93		\$237.75		\$234.78	
Special Taxes	\$29,190		\$27,935		\$29,190		\$27,935		\$27,935
total Consideration			\$492,935		\$559,180		\$542,901		\$525,435
Total Consideration per SF		\$244.27		\$274.24		\$250.65		\$247.96	
Data Source		MLS		MLS		MLS		MLS	
Incentives	N/Ap	No	\$0	No	\$0	No	\$0	No	\$0
Upgrades	Base	Upgrades	\$0	Upgrades	\$0	Upgrades	\$0	Upgrades	\$0
Effective Base Sales Price			\$492,935		\$559,180		\$542,901		\$525,435
Adjustments:	Factor	Description	+ / (-)	Description	+ / (-)	Description	+ / (-)	Description	+ / (-)
Property Rights	Fee Simple	Similar		Similar		Similar		Similar	
Financing Terms	Cash Equivalent	Similar		Similar		Similar		Similar	
Conditions of Sale	Market	Market		Market		Market		Market	
Market Conditions									
Date of Sale	MV 6/4/2019	2/1/2019		2/1/2019		12/19/2018	\$5,429	1/13/2019	
Project Location	Roseville	Roseville		Roseville		Roseville		Roseville	
Community Appeal	Average	Similar		Similar		Similar		Similar	
Lot Size	\$7.00	6,300	\$9,100	6,504	(\$1,428)	6,459	(\$1,113)	6,000	\$2,100
Lot Premium	N/Ap	None		None		None		None	
Design and Appeal	Average	Similar		Similar		Similar		Similar	
Quality of Construction	Good	Similar		Similar		Similar		Similar	
Age (Total/Effective)	New	Similar		Similar		Similar		Similar	
Condition	Good/New	Similar		Similar		Similar		Similar	
Functional Utility	Average	Similar		Similar		Similar		Similar	
Room Count									
Bedrooms	4	3		4		3		4	
Baths	\$10,000	3	\$10,000	3		2.5	\$5,000	3	
Living Area (SF)	\$80.00	2,039	\$1,680	2,039	\$0	2,166	(\$10,160)	2,119	(\$6,400)
Number of Stories	One	One		One		One		One	
Heating/Cooling	Central/Forced	Similar		Similar		Similar		Similar	
Garage	3 Car	2 Car	\$15,000	3 Car		2 Car	\$15,000	2 Car	\$15,000
Landscaping	Front	Similar		Similar		Similar		Similar	
Pool/Spa	None	Similar		Similar		Similar		Similar	
Patios/Decks	Patio	Similar		Similar		Similar		Similar	
Fencing	Rear	Similar		Similar		Similar		Similar	
Fireplace(s)	None	Similar		Similar		Similar		Similar	
Kitchen Equipment	Average	Similar		Similar		Similar		Similar	
Other	None	Similar		Similar		Similar		Similar	
Gross Adjustments			\$35,780		\$1,428		\$36,702		\$23,500
Net Adjustments			\$35,780		(\$1,428)		\$14,156		\$10,700
Adjusted Retail Value			\$528,715		\$557,752		\$557,057		\$536,135
Concluded Retail Value	\$555,000								
Indicated Value Per SF	\$272.19								

As adjusted, the comparables provide a range of indicators of \$528,715 to \$557,752. Placing primary emphasis on Comparable 10, which is located within the subject's Fiddymment Farms master planned community, a value of \$555,000 for the subject's Wildwood floor plan appears reasonable.

Corvara by Lennar Homes									
Project Information	Subject Property	Comparable 9		Comparable 10		Comparable 11		Comparable 12	
Project Name	Corvara	Blume		Wildwood		Bromley		Treo	
Plan	Plan 1	Stella		Residence 1		Plan 1		Avery	
Address/Lot Number		6096 Twin Suns Street		3128 Jaffrey Street		6137 Parkminster Way		8033 Pegasus Street	
City/Area	Roseville	Roseville		Roseville		Roseville		Roseville	
Price	N/Ap		\$465,000		\$529,990		\$514,966		\$497,500
Price Per SF	N/Ap	\$230.43		\$259.93		\$237.75		\$234.78	
Special Taxes	\$29,190		\$27,935		\$29,190		\$27,935		\$27,935
total Consideration			\$492,935		\$559,180		\$542,901		\$525,435
Total Consideration per SF		\$244.27		\$274.24		\$250.65		\$247.96	
Data Source		MLS		MLS		MLS		MLS	
Incentives	N/Ap	No	\$0	No	\$0	No	\$0	No	\$0
Upgrades	Base	Upgrades	\$0	Upgrades	\$0	Upgrades	\$0	Upgrades	\$0
Effective Base Sales Price			\$492,935		\$559,180		\$542,901		\$525,435
Adjustments:	Factor	Description	+ / (-)	Description	+ / (-)	Description	+ / (-)	Description	+ / (-)
Property Rights	Fee Simple	Similar		Similar		Similar		Similar	
Financing Terms	Cash Equivalent	Similar		Similar		Similar		Similar	
Conditions of Sale	Market	Market		Market		Market		Market	
Market Conditions									
Date of Sale	MV 6/4/2019	2/1/2019		2/1/2019		12/19/2018	\$5,429	1/13/2019	
Project Location	Roseville	Roseville		Roseville		Roseville		Roseville	
Community Appeal	Average	Similar		Similar		Similar		Similar	
Lot Size	\$7.00	4,500	(\$3,500)	6,504	(\$14,028)	6,459	(\$13,713)	6,000	(\$10,500)
Lot Premium	N/Ap	None		None		None		None	
Design and Appeal	Average	Similar		Similar		Similar		Similar	
Quality of Construction	Good	Similar		Similar		Similar		Similar	
Age (Total/Effective)	New	Similar		Similar		Similar		Similar	
Condition	Good/New	Similar		Similar		Similar		Similar	
Functional Utility	Average	Similar		Similar		Similar		Similar	
Room Count									
Bedrooms		4	3	4	3		4		
Baths	\$10,000	3	\$10,000	3	2.5	\$5,000	3		
Living Area (SF)	\$80.00	2,110	\$7,360	2,039	\$5,680	2,166	(\$4,480)	2,119	(\$720)
Number of Stories		Two	One	One	(\$16,775)	One	(\$16,287)	One	(\$15,763)
Heating/Cooling		Central/Forced	Similar	Similar		Similar		Similar	
Garage		2 Car	2 Car	3 Car	(\$15,000)	2 Car		2 Car	
Landscaping	Front	Similar		Similar		Similar		Similar	
Pool/Spa	None	Similar		Similar		Similar		Similar	
Patios/Decks	Patio	Similar		Similar		Similar		Similar	
Fencing	Rear	Similar		Similar		Similar		Similar	
Fireplace(s)	None	Similar		Similar		Similar		Similar	
Kitchen Equipment	Average	Similar		Similar		Similar		Similar	
Other	None	Similar		Similar		Similar		Similar	
Gross Adjustments			\$35,648		\$51,483		\$44,909		\$26,983
Net Adjustments			(\$928)		(\$40,123)		(\$24,051)		(\$26,983)
Adjusted Retail Value			\$492,007		\$519,056		\$518,850		\$498,452
Concluded Retail Value		\$510,000							
Indicated Value Per SF		\$241.71							

As adjusted, the comparables provide a range of indicators of \$492,452 to \$519,056. A value of \$510,000 for the subject's Corvara floor plan appears reasonable.

Monterosa by Lennar Homes									
Project Information	Subject Property	Comparable 7		Comparable 8		Comparable 9		Comparable 10	
Project Name	Monterosa	Woodbridge		Oakbriar		Blume		Wildwood	
Plan	Plan 1	Plan 1		Residence 3		Stella		Residence 1	
Address/Lot Number		1089 Fence Post Way		3328 Welton Circle		6096 Twin Suns Street		3128 Jaffrey Street	
City/Area	Roseville	Roseville		Roseville		Roseville		Roseville	
Price	N/Ap		\$526,356		\$418,990		\$465,000		\$529,990
Price Per SF	N/Ap	\$263.97		\$212.25		\$230.43		\$259.93	
Special Taxes	\$29,190		\$29,190		\$27,935		\$27,935		\$29,190
total Consideration			\$555,546		\$446,925		\$492,935		\$559,180
Total Consideration per SF		\$278.61		\$226.41		\$244.27		\$274.24	
Data Source		MLS		MLS		MLS		MLS	
Incentives	N/Ap	No	\$0	No	\$0	No	\$0	No	\$0
Upgrades	Base	Upgrades	\$0	Upgrades	\$0	Upgrades	\$0	Upgrades	\$0
Effective Base Sales Price			\$555,546		\$446,925		\$492,935		\$559,180
Adjustments:	Factor	Description	+ / (-)	Description	+ / (-)	Description	+ / (-)	Description	+ / (-)
Property Rights	Fee Simple	Similar		Similar		Similar		Similar	
Financing Terms	Cash Equivalent	Similar		Similar		Similar		Similar	
Conditions of Sale	Market	Market		Market		Market		Market	
Market Conditions									
Date of Sale	MV 6/4/2019	4/29/2019		2/1/2019		2/1/2019		2/1/2019	
Project Location	Roseville	Roseville		Roseville		Roseville		Roseville	
Community Appeal	Average	Similar		Similar		Similar		Similar	
Lot Size	\$7.00	5,775	\$3,115	3,600	\$15,225	5,000	\$5,425	6,504	(\$5,103)
Lot Premium	N/Ap	Similar		None		None		None	
Design and Appeal	Average	Similar		Similar		Similar		Similar	
Quality of Construction	Good	Sl. Superior	(\$16,666)	Inferior	\$22,346	Similar		Similar	
Age (Total/Effective)	New	Similar		Similar		Similar		Similar	
Condition	Good/New	Similar		Similar		Similar		Similar	
Functional Utility	Average	Similar		Similar		Similar		Similar	
Room Count									
Bedrooms		3		3		3		4	
Baths	\$10,000	2	(\$5,000)	2.5	(\$5,000)	2	\$0	3	(\$10,000)
Living Area (SF)	\$80.00	1,945	(\$3,920)	1,974	(\$2,320)	2,018	(\$5,840)	2,039	(\$7,520)
Number of Stories		One		Two	\$22,346	One		One	
Heating/Cooling	Central/Forced	Similar		Similar		Similar		Similar	
Garage	2 Car	2 Car		2 Car		2 Car		3 Car	(\$15,000)
Landscaping	Front	Similar		Similar		Similar		Similar	
Pool/Spa	None	Similar		Similar		Similar		Similar	
Patios/Decks	Patio	Similar		Similar		Similar		Similar	
Fencing	Rear	Similar		Similar		Similar		Similar	
Fireplace(s)	None	Similar		Similar		Similar		Similar	
Kitchen Equipment	Average	Similar		Similar		Similar		Similar	
Other	None	Similar		Similar		Similar		Similar	
Gross Adjustments			\$28,701		\$67,238		\$11,265		\$37,623
Net Adjustments			(\$22,471)		\$52,598		(\$415)		(\$37,623)
Adjusted Retail Value			\$533,074		\$499,523		\$492,520		\$521,557
Concluded Retail Value		\$518,000							
Indicated Value Per SF		\$266.32							

As adjusted, the comparables provide a range of indicators of \$492,520 to \$533,074. Placing more reliance on Comparables 7 and 10, which are located within the subject's Fiddymment Farms master planned community, a value of \$518,000 for the subject's Monterosa floor plan appears reasonable.

Conclusion of Home Values

Based on the analysis herein, the market value conclusions for the homes are summarized in the following table.

Base Floor Plan Conclusions					
Floor Plan	Living Area (SF)	Room Count		Typical Lot Size (SF)	Conclusion of Value (Total Consideration)
Woodbridge	1,994	3	2.5	5,250	\$525,000
Summerwood	1,486	3	2	5,700	\$470,000
Northwood	1,454	3	2	5,125	\$465,000
Valleybrook	2,925	4	4	7,475	\$662,000
Wildwood	2,039	4	3	6,300	\$555,000
Corvara	2,110	4	3	4,500	\$510,000
Monterosa	1,945	3	2	5,775	\$518,000

Market Valuation – Single-Family Lots

Benchmark Lot Valuation

In the benchmark lot analysis, we will assign two benchmark larger parcels, one for the low-density residential (LDR) lots and one for the medium density residential (MDR) lots.

The typical lot sizes of the LDR lots range from 4,500 to 7,475 square feet within the various larger parcels. Of these typical lot sizes, the average size is about 5,533 square feet. With regard to lot count, the larger parcels have lot counts that range from 41 to 122 lots, with an average of 69 lots. Given this discussion, our benchmark LDR lot selection is **Parcel F-9B**, which contains 70 lots with a typical lot size of 5,775 square feet.

The typical lot sizes of the MDR lots range from 2,044 to 2,451 square feet within the various larger parcels. Of these typical lot sizes, the average size is about 2,248 square feet. With regard to lot count, the larger parcels have lot counts that range from 127 to 172 lots, with an average of 147 lots. Given this discussion, our benchmark MDR lot selection is **Parcel F-11B**, which contains 152 lots with a typical lot size of 2,451 square feet.

LDR Lot Analysis

In this section of the report, we will utilize the sales comparison approach and the extraction technique to estimate the market value of the LDR lot category. The estimate of value assumes the lots would sell on a bulk, or wholesale, basis. That is, a group of lots would transfer in one transaction to a single buyer.

Sales Comparison Approach (LDR)

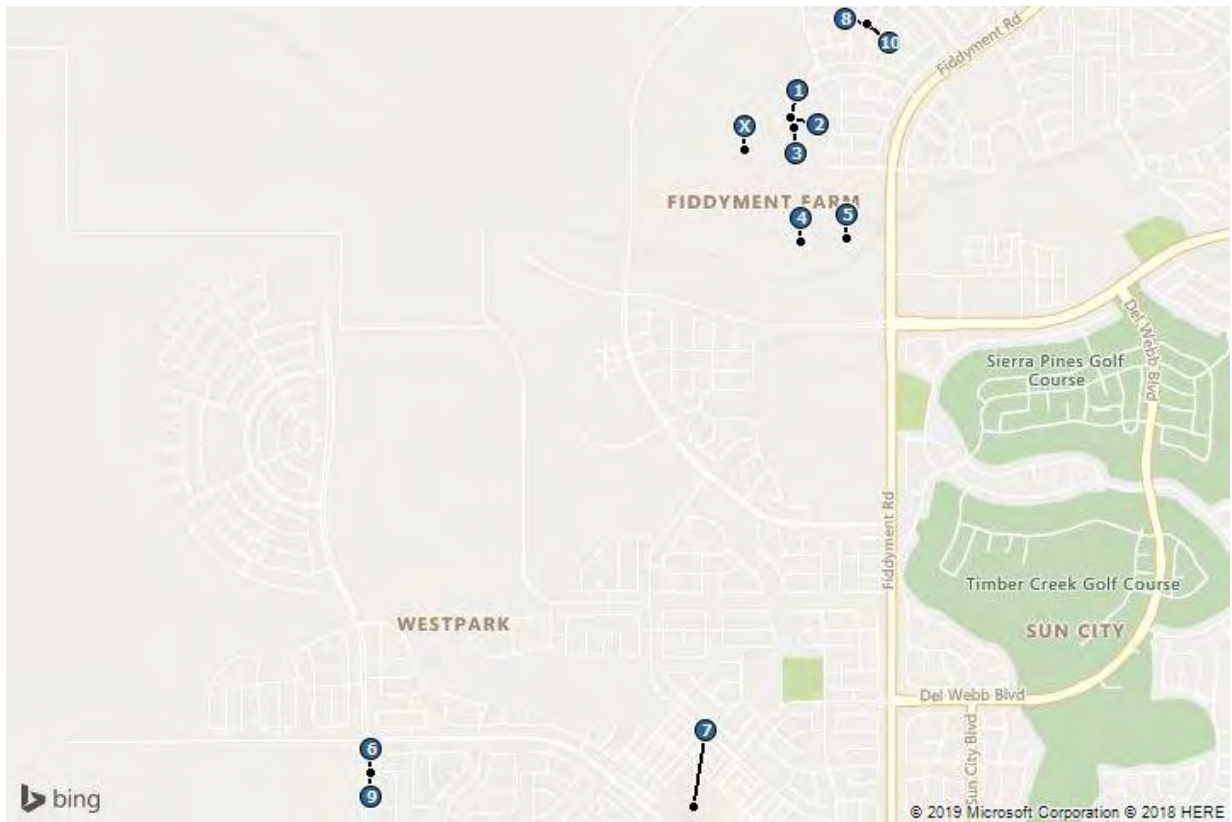
This approach is based on the economic principle of substitution. According to The Appraisal of Real Estate, 14th Edition (Chicago: Appraisal Institute, 2013), *“The principle of substitution holds that the value of property tends to be set by the cost of acquiring a substitute or alternative property of similar utility and desirability within a reasonable amount of time.”* The sales comparison approach is applicable when there are sufficient recent, reliable transactions to indicate value patterns or trends in the market.

The proper application of this approach requires obtaining recent sales data for comparison with the subject property. In order to assemble the comparable sales, we searched public records and other data sources for leads, then confirmed the raw data obtained with parties directly related to the transactions (primarily brokers, buyers and sellers).

On the following page, we have arrayed comparable sales that have occurred in Roseville. The summary table is accompanied by a map and followed by details of each comparable. The basis of analysis is price per lot. The comparable data includes finished and unimproved transactions (with adjustments for remaining site costs and profit applied to the unimproved transactions).

Summary of Comparable Land Sales - Residential Land									
No.	Name/Address	Sale Date; Status	Sale Price; PV of Spec. Tax/Lot*	Typical Lot Size	Number of Lots	\$/Lot	Site Dev. Costs/Lot; Permits & Fees/Lot		
1	Fiddymment Ranch, Villages F-13A-1 & 2, 13B-3 N/O N Hayden Pky, W/O Fiddymment Rd Roseville Tax ID: 492-012-081 thru -083 Grantor: ATC Realty One, LLC. Grantee: Taylor Morrison Homes Document ID: <i>Comments: This comparable represents the sale of three villages (Phase 2J) within Fiddymment Ranch totaling 138 "super pad" lots with a typical lot size of 5,775 square feet. Site development costs are estimated at \$76,000/lot, permits & fees average \$70,962/lot, and special assessments are \$1,792/lot. Taylor Morrison experienced slightly higher costs because there is a large storm drain that runs through the middle of the project that serves upstream property. Thus, they have to construct landscaping/retaining walls/bike trail/fences along the boundary, as well as backup landscaping/sidewalk/soundwalls along the north boundary of Hayden Parkway.</i>	Jun-19 Closed	\$6,969,000 \$29,190	5,775	138	\$50,500	\$76,000 \$70,962		
2	Fiddymment Ranch, Villages F-7A & 7B S/O Holt Pky, W/O Fiddymment Rd Roseville Tax ID: 492-011-007 & -008 Grantor: ATC Realty One, LLC. Grantee: Lennar Homes of CA, Inc. Document ID: 87653 <i>Comments: This comparable was part of a multi-village take-down and represents the transfer of 131 finished lots with a typical lot size of 4,500 SF within Fiddymment Ranch. Permits & Fees average \$66,973/lot; annual special assessments are \$1,792/lot.</i>	Dec-18 Closed	\$15,851,000 \$29,190	4,500	131	\$121,000	\$0 \$66,793		
3	Fiddymment Ranch, Village F-9B S/O Holt Pky, W/O Fiddymment Rd Roseville Tax ID: 492-011-009 Grantor: ATC Realty One, LLC. Grantee: Lennar Homes of CA, Inc. Document ID: 87663 <i>Comments: This comparable was part of a multi-village take-down and represents the transfer of 70 finished lots with a typical lot size of 5,775 SF within Fiddymment Ranch. Permits & Fees average \$66,973/lot; annual special assessments are \$1,792/lot.</i>	Dec-18 Closed	\$9,940,000 \$29,190	5,775	70	\$142,000	\$0 \$66,973		
4	Fiddymment Ranch, Village F-8C N/O Blue Oaks Blvd, W/O Fiddymment Rd Roseville Tax ID: 492-010-057 (por.) Grantor: ATC Realty One, LLC. Grantee: John Mourier Construction, Inc. <i>Comments: This comparable was part of a multi-village take-down and represents the transfer of 88 finished lots with a typical lot size of 5,125 SF within Fiddymment Ranch. Permits & Fees average \$66,973/lot; annual special assessments are \$1,792/lot.</i>	Jun-18 Closed	\$11,039,600 \$29,190	5,125	88	\$125,450	\$0 \$66,973		
5	Fiddymment Ranch, Village F-9C N/O Blue Oaks Blvd, W/O Fiddymment Rd Roseville Tax ID: 492-010-057 (por.) Grantor: ATC Realty One, LLC. Grantee: John Mourier Construction, Inc. Document ID: 44304 <i>Comments: This comparable was part of a multi-village take-down and represents the transfer of 83 finished lots with a typical lot size of 6,300 SF within Fiddymment Ranch. Permits & Fees average \$66,973/lot; annual special assessments are \$1,792/lot.</i>	Jun-18 Closed	\$11,159,350 \$29,190	6,300	83	\$134,450	\$0 \$66,973		
6	Solaire WB-4A & 4B SWC of Solaire Dr. and Westbrook Blvd. Roseville Tax ID: 496-100-048 Grantor: Westpark Communities Grantee: Woodside 05N LP <i>Comments: This sale of 100 unimproved lots in Solaire are comprised of 58 lots with a typical size of 4,500 square feet and 42 lots with a typical size of 5,500 square feet for a weighted average of 4,920 square feet. Annual assessments are \$1,622. The lots are located within the Roseville Unified School District. Permits are estimated at \$71,221 and remaining development cost is estimated at \$41,591 per lot (wgt. avg.).</i>	Feb-18 Closed	\$6,150,000 \$26,421	4,920	100	\$61,500	\$41,591 \$71,221		
7	Village Center, Parcels W-28 & W-29 E/O Pleasant Grove Blvd., W/O Fiddymment Rd. Blvd. Roseville Tax ID: Grantor: VC Roseville, LLC. Grantee: K. Hovnanian at Village Center, LLC. <i>Comments: This property represents the recent sale of 56 unimproved lots with a typical size of 4,100 square feet the Village Center area of the Westpark community. Annual assessments are estimated at \$1,622. The lots are located within the Roseville School District. Permits are estimated at \$67,000 and remaining development cost is estimated at \$35,000 per lot.</i>	Jan-18 Closed	\$3,360,000 \$26,421	4,100	56	\$60,000	\$35,000 \$67,000		
8	Fiddymment Farms - 88 Lots N/O Blue Oaks Blvd, W/O Fiddymment Rd Roseville Tax ID: 497-040-034 Grantor: William & Kathleen Wistrich Grantee: John Mourier Construction, Inc. <i>Comments: This is the sale of 88 lots of 5,125 square feet in Fiddymment Farms. Annual Special Assessments per lot \$1,688 Estimated permits and fees are \$63,800. The lots are to be delivered finished.</i>	Dec-17 Closed	\$11,000,000 \$27,496	5,125	88	\$125,000	\$0 \$63,800		
9	Solaire, Village 7B E/O Westbrook Blvd, S/O Pleasant Grove Blvd Roseville Tax ID: 496-100-061 Grantor: WP Development Company, LLC. Grantee: Taylor Morrison Document ID: 2017-0042568 <i>Comments: This property represents the sale of 72 unimproved lots in the Solaire community, just north of the Sierra Vista Specific Plan, in West Roseville. Annual special assessments are \$1,622/lot.</i>	Jun-17 Closed	\$5,904,000 \$27,496	6,000	72	\$82,000	\$35,000 \$67,000		
10	Fiddymment Ranch, Village F19A-1 (portion I) N/O Blue Oaks Blvd, W/O Fiddymment Rd Roseville Tax ID: 492-010-052 (por.) Grantor: Anthem United Grantee: JMC Homes Document ID: N/A <i>Comments: This property represents the sale of 44 improved lots within Village F19A-1 of the Fiddymment Ranch master planned community. Annual special assessments are \$1,688/lot.</i>	May-17 Closed	\$5,500,000 \$27,496	5,000	44	\$125,000	\$0 \$60,000		
Subject				5,775	70				
City of Roseville Fiddymment Ranch CFD No. 5 Roseville, CA									
*PV calculation shown on the following page									

Comparable Land Sales Map – Residential Land



Analysis and Adjustment of Sales

The sales are compared to the subject and adjusted to account for material differences that affect value. The adjustment process is typically applied through either quantitative or qualitative analysis, or a combination of the two. Quantitative adjustments are often developed as dollar or percentage amounts and are most credible when there is sufficient data to perform a paired sales analysis.

This analysis relies on qualitative adjustments, with adjustments being characterized as being slightly superior/inferior, superior/inferior, or significantly superior/inferior, where approximate percent adjustments would be assigned as follows:

Qualitative Adjustment Summary

Adjustment	Identification	General Percent of	
		Adjustment Ranges	
Sig. Inferior	+++	11%	to 20+%
Inferior	++	6%	to 10%
Sl. Inferior	+	1%	to 5%
Similar		0%	
Sl. Superior	-	-1%	to -5%
Superior	--	-6%	to -10%
Sig. Superior	---	-11%	to -20+%

While we present percentage adjustments in the above table for comparison purposes, they are based on qualitative judgment rather than empirical research as there is not sufficient data to develop a sound quantitative estimate.

As a result of the limited data present in the market, many of the adjustments require the appraiser's experience and knowledge of the market and information obtained from those knowledgeable and active in the marketplace. Additionally, many of the adjustments are subjective and reflect the premiums and discounts a typical buyer would most likely assign for differing attributes between the comparables and the subject property.

Our rating of each comparable sale in relation to the subject is the basis for the adjustments. If the comparable is superior to the subject, its sale price is adjusted downward to reflect the subject's relative attributes; if the comparable is inferior, its price is adjusted upward.

Adjustments are considered for the following factors, in the sequence shown below.

Loaded Lot Analysis

Prior to the application of adjustments, the following items are added to the per lot sale price.

Loaded Lot Analysis

Remaining Site Dev. Cost	We apply adjustments for remaining site development costs (if any).
Permits and Fees	Permits and fees due upon building permit are included on a dollar-for-dollar basis, all of which are presumed to be an obligation of the merchant builder.
Bond Encumbrance PV	All of the comparables transferred with the assumption of bonds; consequently, in order to reflect an estimate of the total consideration of each sale, the present value of the special taxes or the assessment lien are considered. Bond encumbrances are estimated utilizing a 4.50% interest (yield) rate for a standard term of 30 years (though many Districts allow for extensions beyond the initial (typical) 30-year term). For purposes of analysis, annual escalators are not taken into account.

Loaded Lot Adjustments										
	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6	Comparable 7	Comparable 8	Comparable 9	Comparable 10
Lot Price	\$50,500	\$121,000	\$142,000	\$125,450	\$134,450	\$61,500	\$60,000	\$125,000	\$82,000	\$125,000
Remaining Site Development Costs	\$76,000	\$0	\$0	\$0	\$0	\$41,591	\$35,000	\$0	\$35,000	\$0
Permits & Fees	\$70,962	\$66,793	\$66,973	\$66,973	\$66,973	\$71,221	\$67,000	\$63,800	\$67,000	\$60,000
Loaded Lot Price Before Bonds	\$197,462	\$187,793	\$208,973	\$192,423	\$201,423	\$174,312	\$162,000	\$188,800	\$184,000	\$185,000
Special Taxes/Assessment Lien	\$1,792	\$1,792	\$1,792	\$1,792	\$1,792	\$1,622	\$1,622	\$1,688	\$1,688	\$1,688
Years to Maturity	30	30	30	30	30	30	30	30	30	30
Special Taxes/Assessment Lien	\$29,190	\$29,190	\$29,190	\$29,190	\$29,190	\$26,421	\$26,421	\$27,496	\$27,496	\$27,496
Loaded Lot Price After Bonds	\$226,652	\$216,983	\$238,163	\$221,613	\$230,613	\$200,733	\$188,421	\$216,296	\$211,496	\$212,496
Loaded Lot Adjustment	\$176,152	\$95,983	\$96,163	\$96,163	\$96,163	\$139,233	\$128,421	\$91,296	\$129,496	\$87,496

Analysis and Adjustment of Sales

The sales are compared to the subject and adjusted to account for material differences that affect value. Adjustments are considered for the following factors, in the sequence shown below.

Adjustment Factor	Accounts For	Comments
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.	All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.	The comparable sales were cash to the seller transactions and do not require adjustments.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale.	No adjustments are warranted for this element of comparison.

Adjustment Factor	Accounts For	Comments
Market Conditions	Changes in the economic environment over time that affect the appreciation and depreciation of real estate.	Most of the comparables transferred during a period of stability in residential land prices, and no adjustments for market conditions are warranted. However, upward adjustments are made to Comparables 4 and 5 (contract date was in late 2017) through 10 to account for the increase in site development costs which in turn has driven up the price of finished lots.
Location/Community Appeal	Market or submarket area influences on sale price; surrounding land use influences.	Overall community appeal is considered good. As observed by the number of transactions within the past 24 months, South Placer County is a highly desirable submarket for single-family residential lots. No adjustments are warranted as all of the comparables are located in similar areas of West Roseville.
Number of Lots	Generally, there is an inverse relationship between the number of lots and price per lot such that larger projects (with a greater number of lots) achieve a lower price per lot.	Generally, variances in per lot prices, all else being equal, are not observed in transactions between 50 and 250 lots. All of the comparable represent fairly similar sized transactions and do not require adjustments.
Lot Size (Typical)	Adjustments for differences in lot size between the comparables and subject are estimated by applying lot size adjustment factors to difference in lot size.	Comparable 5 has a larger lot size relative to the subject's benchmark lot size of 5,775 square feet and is adjusted downward. Conversely, the remaining comparables, excluding Sales 1 and 3 are adjusted upward to account for their smaller lot sizes.
Lot Premiums/Discounts	Primary physical factors that affect desirability of lots.	None of the comparables benefit from view or significant open space premiums. Adjustments for this factor do not apply.

The following table summarizes the adjustments we make to each sale.

Land Sales Adjustment Grid - Residential Land

	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6	Comparable 7	Comparable 8	Comparable 9	Comparable 10
Name	City of Roseville Fiddymment Ranch CFD No. 5 Roseville	Fiddymment Ranch, Villages F-13A-1 & 2, 13B-3 Roseville	Fiddymment Ranch, Villages F-7A & 7B Roseville	Fiddymment Ranch, Village F-9B Roseville	Fiddymment Ranch, Village F-8C Roseville	Fiddymment Ranch, Village F-9C Roseville	Solaire WB-4A & 4B Roseville	Village Center, Parcels W-28 & W- 29 Roseville	Fiddymment Farms - 88 Lots Roseville	Solaire, Village 7B Roseville	Fiddymment Ranch, Village F19A-1 (portion I) Roseville
City		Roseville	Roseville	Roseville	Roseville	Roseville	Roseville	Roseville	Roseville	Roseville	Roseville
Sale Date		Jun-19	Dec-18	Dec-18	Jun-18	Jun-18	Feb-18	Jan-18	Dec-17	Jun-17	May-17
Sale Status		Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed
Sale Price		\$6,969,000	\$15,851,000	\$9,940,000	\$11,039,600	\$11,159,350	\$6,150,000	\$3,360,000	\$11,000,000	\$5,904,000	\$5,500,000
Number of Lots	70	138	131	70	88	83	100	56	88	72	44
Price per Lot	–	\$50,500	\$121,000	\$142,000	\$125,450	\$134,450	\$61,500	\$60,000	\$125,000	\$82,000	\$125,000
Loaded Lot Adjustment	–	\$176,152	\$95,983	\$96,163	\$96,163	\$96,163	\$139,233	\$128,421	\$91,296	\$129,496	\$87,496
Price per Lot		\$226,652	\$216,983	\$238,163	\$221,613	\$230,613	\$200,733	\$188,421	\$216,296	\$211,496	\$212,496
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment		=	=	=	=	=	=	=	=	=	=
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
Adjustment		=	=	=	=	=	=	=	=	=	=
Conditions of Sale		Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Adjustment		=	=	=	=	=	=	=	=	=	=
Market Conditions	6/4/2019	Jun-19	Dec-18	Dec-18	Jun-18 (Nov-17)	Jun-18 (Nov-17)	Feb-18	Jan-18	Dec-17	Jun-17	May-17
Adjustment		=	=	=	↑	↑	↑	↑	↑	↑	↑
Location/Community Appeal	West Roseville	West Roseville	West Roseville	West Roseville	West Roseville	West Roseville	West Roseville	West Roseville	West Roseville	West Roseville	West Roseville
Adjustment		=	=	=	=	=	=	=	=	=	=
Number of Lots	70	138	131	70	88	83	100	56	88	72	44
Adjustment		=	=	=	=	=	=	=	=	=	=
Lot Size (Typical)	5,775	5,775	4,500	5,775	5,125	6,300	4,920	4,100	5,125	4,500	5,000
Adjustment		=	↑	=	↑	↓	↑	↑	↑	↑	↑
Lot Premiums/Discounts	Average	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Adjustment		=	=	=	=	=	=	=	=	↑	=
Overall Adjustment		Similar	Sl. Inferior	Similar	Sl. Inferior	Similar	Inferior	Inferior	Sl. Inferior	Inferior	Inferior

Land Value Conclusion – Residential Land

The market data set consists of various sales that are considered reasonable indicators of market value for the fee simple interest in the LDR lot category of the subject property. After accounting for remaining site development costs, permits and fees and special taxes, the data set reflects an unadjusted (loaded lot price) range of \$188,421 to \$238,163 per lot.

Based upon the analysis presented, a ranking of the subject and the comparable sales is in the table below:

Bulk Lot Ranking Summary			
Property	Sale Date	\$/ Loaded Lot (Unadjusted)	Net Adjustment
Comparable 3	Dec-18	\$238,163	Similar
Subject Property	--	\$230,000	--
Comparable 5	Jun-18	\$230,613	Similar
Comparable 1	Jun-19	\$226,652	Similar
Comparable 4	Jun-18	\$221,613	Sl. Inferior
Comparable 2	Dec-18	\$216,983	Sl. Inferior
Comparable 8	Dec-17	\$216,296	Sl. Inferior
Comparable 10	May-17	\$212,496	Inferior
Comparable 9	Jun-17	\$211,496	Inferior
Comparable 6	Feb-18	\$200,733	Inferior
Comparable 7	Jan-18	\$188,421	Inferior

As shown, the loaded lot value indicator for the subject property is estimated to be generally similar to Comparables 1, 3 and 5 and higher than the balance of the data set. A loaded lot indicator of \$230,000 per lot is concluded for the benchmark village (F-9B) of the subject property. As previously mentioned, the fees due at building permit are estimated to be about \$70,397 per LDR lot. As such, our conclusion of finished lot value for the benchmark village is as follows:

Lot Value Conclusion	
Concluded Loaded Lot Value	\$230,000
Less: Permits & Fees	(\$70,397)
Indicated Lot Value (Rd.)	\$160,000

The next section of the report will be an extraction analysis.

Extraction Analysis

As support for the estimate of finished lot value concluded in the sales comparison approach we utilize an extraction (residual) analysis that takes into account home prices, direct and indirect construction costs, accrued depreciation and developer's incentive in order to arrive at an estimate of finished lot value. The elements of the extraction technique are discussed below.

Revenue

The LDR benchmark lot category was determined to be Parcel F-9B, which has 70 lots with a typical lot size of 5,775 square feet. The MDR benchmark lot category was determined to be Parcel F-11B, with 152 lots and an estimated typical lot size of 2,451 square feet.

In order to estimate revenue from a typical floor plan, the table below arrays various new home communities within West Roseville, as provided by the Gregory Group.

Active Projects											
Project	Master Plan	Community	Developer	Average Price	Avg. Home Size (SF)	Average Price/SF	Typical Lot Size	Units Planned	Units Offered	Units Sold	Units Unsold
Aspire	WestPark	Roseville	K. Hovnanian Homes	\$435,657	2,037	\$214	3,825	56	41	30	11
Blume	Solaire	Roseville	Taylor Morrison Homes	\$482,657	2,314	\$209	5,000	73	58	44	14
Bromley	Solaire	Roseville	Woodside Homes	\$542,200	2,764	\$196	6,000	86	86	85	1
Carrington	WestPark	Roseville	Lennar Homes	\$552,740	2,673	\$207	5,775	150	150	150	0
Farms at Riolo Mariposa	--	Roseville	Homes by Towne	\$495,600	2,449	\$202	7,000	107	49	20	29
Heritage Eclipse*	Solaire	Roseville	Lennar Homes	\$576,990	2,648	\$218	6,000	86	52	41	14
Heritage Larissa*	Solaire	Roseville	Lennar Homes	\$509,490	2,111	\$241	5,000	75	50	43	7
Heritage Meridian*	Solaire	Roseville	Lennar Homes	\$430,990	1,546	\$279	4,500	92	56	49	7
Hillingdon	Solaire	Roseville	Woodside Homes	\$481,990	2,551	\$189	5,250	71	71	70	1
Legato	WestPark	Roseville	KB Home	\$591,372	3,631	\$163	7,150	147	147	145	2
Manchester II	Solaire	Roseville	D.R. Horton	\$435,657	2,206	\$197	4,500	162	137	123	14
Mariposa Creek	--	Roseville	Watt Communities	\$452,990	2,212	\$205	6,000	15	15	3	12
Montecito Walk	WestPark	Roseville	Lennar Homes	\$406,490	1,583	\$257	2,400	122	118	108	10
Morgan Ranch	--	Roseville	Homes by Towne	\$591,103	3,061	\$193	10,000	61	39	13	26
Northwood	Fiddymment Farm	Roseville	JMC Homes	\$429,990	1,360	\$316	6,300	74	70	67	3
Oakbriar	Fiddymment Farm	Roseville	Signature Homes	\$451,000	1,744	\$259	3,000	96	96	96	0
Paradiso	--	Roseville	Woodside Homes	\$468,657	2,073	\$226	4,500	100	14	6	8
Summerwood	Fiddymment Farm	Roseville	JMC Homes	\$477,490	1,811	\$264	6,050	128	98	88	10
Terra Vista	Stone Ridge	Roseville	Elliot Homes	\$713,450	2,965	\$241	6,175	100	100	97	3
The Summit	WestPark	Roseville	Meritage Homes	\$564,700	2,966	\$190	6,600	56	50	45	5
Treo	Solaire	Roseville	Taylor Morrison Homes	\$528,740	2,695	\$196	6,000	72	61	50	11
Valleybrook	Fiddymment Farm	Roseville	JMC Homes	\$727,490	3,592	\$203	8,500	70	21	19	2
Veranda	Stone Ridge	Roseville	Elliot Homes	\$411,200	1,652	\$249	3,000	150	99	82	17
Wexford	Solaire	Roseville	D.R. Horton	\$439,323	2,247	\$196	5,500	103	103	103	0
Wildwood	Fiddymment Farm	Roseville	JMC Homes	\$604,990	2,716	\$223	6,600	86	73	67	6
Woodbridge	Fiddymment Farm	Roseville	Signature Homes	\$563,371	2,648	\$213	5,500	116	49	38	11
Minimum				\$406,490	1,360	\$163	2,400				
Maximum				\$727,490	3,631	\$316	10,000				
Average				\$514,090	2,394	\$221	5,620				

Source: The Gregory Group

Based on existing projects within the subject, our conclusion of a typical home on the benchmark LDR category (5,775 square foot lot) is a 2,800 square foot home with a total consideration of \$600,000, inclusive of bond debt.

With regard to the MDR lot category, our conclusion of a typical home on the benchmark lot (2,451 square foot lot) is an 1,800 square foot home with a total consideration of \$450,000, inclusive of bond debt.

Expense Projections

As part of an ongoing effort to assemble market information, the table below reflects survey responses and developer budget information for numerous single-family residential subdivisions throughout the Northern California region.

Developer Classification	Budget Date	No. of Unit	Quality	Avg. Home Size (SF)	Avg. Lot Size	G & A % of Revenue	Mkt & Sales % of Revenue	Direct Costs/SF	Indirect Costs/SF	Indirect % of Direct Costs	Site Costs/Lot	Permits & Fees/Unit	Cost per Model	Profit % of Revenue	IRR	Projected Sales/Mo.
Regional	2018	88	Average	2,421	4,250	N/Av	N/Av	\$81	N/Av	N/Av	\$43,843	\$68,879	N/Av	N/Av	N/Av	N/Av
Regional	2018	112	Average	N/Av	4,800	5.0%	5.0%	\$85	N/Av	N/Av	\$50,000	\$67,000	\$40,000	15.0%	N/Av	4.0
Local	2018	35	Average	2,371	7,500	N/Av	N/Av	\$77.00	N/Av	N/Av	N/Av	\$50,613	N/Av	N/Av	N/Av	N/Av
Regional	2018	16	Good	2,765	8,800	N/Av	N/Av	\$83.88	N/Av	N/Av	N/Av	\$57,097	N/Av	N/Av	N/Av	N/Av
Regional	2018	46	Good	1,946	2,900	N/Av	N/Av	\$105.00	N/Av	N/Av	N/Av	\$28,370	N/Av	N/Av	N/Av	N/Av
Regional	2018	60	Average	2,179	4,775	N/Av	N/Av	\$61.52	N/Av	N/Av	\$61,030	\$65,149	N/Av	N/Av	N/Av	N/Av
Regional	2018	83	Average	1,728	2,200	N/Av	N/Av	\$69.50	N/Av	N/Av	\$63,568	\$68,864	N/Av	N/Av	N/Av	N/Av
Local	2018	44	Average	2,114	5,450	N/Av	N/Av	\$86.00	N/Av	N/Av	\$68,524	\$39,525	N/Av	N/Av	N/Av	N/Av
Regional	2017	147	Average	2,100	2,500	N/Av	N/Av	\$73.00	N/Av	N/Av	\$35,000	\$44,000	\$80,000	N/Av	N/Av	53
Regional	2017	44	Average	2,171	5,450	5.0%	5.0%	\$84.85	\$5.08	6%	\$68,524	\$33,323	N/Av	N/Av	N/Av	N/Av
National	2017	38	Average	2,078	6,775	N/Av	N/Av	\$62.70	N/Av	N/Av	N/Av	\$46,822	N/Av	N/Av	N/Av	N/Av
Local	2016	15	Average/Good	2,579	8,500	N/Av	N/Av	\$68.01	N/Av	N/Av	N/Av	\$51,081	N/Av	N/Av	N/Av	N/Av
Regional	2016	22	Average/Good	N/Av	12,143	N/Av	N/Av	N/Av	N/Av	N/Av	\$85,466	N/Av	\$23,924	N/Av	N/Av	N/Av
Local	2016	32	Good	2,614	5,937	2.0%	5.1%	\$72.46	\$8.79	12%	\$64,490	\$46,000	\$27,372	8.8%	N/Av	4.5
Local	2016	35	Average	1,946	3,825	3.0%	3.5%	\$70.73	\$12.63	18%	\$40,505	\$43,284	\$36,773	9.7%	28.7%	2.5
Local	2015	29	Average	2,273	5,325	2.5%	4.4%	\$73.98	\$21.45	29%	N/Av	\$52,550	N/Av	15.6%	N/Av	N/Av
Regional	2015	31	Average/Good	2,450	5,000	N/Av	4.2%	\$64.97	\$4.08	6%	\$40,793	\$35,346	N/Av	8.4%	N/Av	N/Av
Regional	2015	32	Good	2,234	6,709	5.0%	4.0%	\$75.95	\$10.36	14%	\$55,945	\$47,844	\$145,838	11.6%	N/Av	2.5
Local	2015	10	Good	2,513	9,547	N/Av	N/Av	\$77.90	N/Av	N/Av	N/Av	\$43,425	N/Av	N/Av	N/Av	N/Av
Local	2015	18	Average/Good	2,667	10,187	N/Av	N/Av	\$62.38	N/Av	N/Av	N/Av	\$49,969	N/Av	N/Av	N/Av	N/Av
Local	2015	8	Average	2,250	8,358	N/Av	5.4%	\$89.25	\$6.01	7%	\$58,198	\$33,786	N/Av	18.8%	N/Av	N/Av
Local	2014	19	Good	2,891	8,772	N/Av	4.0%	\$68.50	\$8.88	13%	N/Av	\$54,180	N/Av	18.0%	N/Av	N/Av

Information from the survey above will contribute to the estimate of development expenses classified as follows.

General and Administrative

These expenses consist of management fees, liability and fire insurance, inspection fees, appraisal fees, legal and accounting fees and copying or publication costs. This expense category typically ranges from 2.5% to 4.0%, depending on length of project and if all of the categories are included in a builder's budget. We have used 3.0% for general and administrative expenses.

Marketing and Sale

These expenses typically consist of advertising and promotion, closing costs, sales operations, and sales commissions. The expenses are expressed as a percentage of the gross sales revenue. The range of marketing and sales expenses typically found in projects within the subject's market area is 5.0% to 6.5%. A figure of 6.0%, or 3.0% for marketing and 3.0% for sales, is estimated in the marketing and sales expense category.

Direct and Indirect Construction Costs

Construction costs are generally classified into direct and indirect costs. Direct costs reflect the cost of labor and materials to build the project. Direct costs generally are lower per square foot for larger floor plans, all else being equal, due to economies of scale. Indirect items are the carrying costs and fees incurred in developing the project and during the construction cycle. Construction quality and market-segment are significant factors that affect direct construction costs. In addition, national/public builders, which are able to achieve lower costs due to the larger scale in which orders are placed, routinely achieve lower direct costs.

Direct construction costs are estimated at \$78 per square foot. Market participants indicate that current direct costs generally range from \$75 to \$90 per square foot and vary according to builder type and home sizing. Our estimated costs fall within the range indicated and will be utilized in the analysis.

Regarding indirect costs, the following list itemizes some of the typical components that generally comprise indirect costs:

- Architectural and engineering fees for plans, plan checks, surveys and environmental studies
- Appraisal, consulting, accounting and legal fees
- The cost of carrying the investment in land and contract payments during construction. If the property is financed, the points, fees or service charges and interest on construction loans are considered
- All-risk insurance
- The cost of carrying the investment in the property after construction is complete, but before sell-out is achieved
- Developer fee earned by the project coordinator
- Interest reserve

Conversations with homebuilders indicate the indirect costs generally range anywhere from 10% to 15% of the direct costs (excluding marketing, sales, general and administrative expenses, taxes, which are accounted for separately). An estimate of 12% is considered reasonable for the subject.

Permits and Fees

As previously noted, permits and fees due at building permit average \$70,397 per LDR lot, and \$66,133 per MDR lot, which will be used in our analysis.

Accrued Depreciation

For new construction on the subject, an allocation for depreciation (physical, functional, or economic) is not applicable.

Developer's Incentive

According to industry sources, developer's incentive (profit) historically has ranged anywhere from 5% to 25%, with a predominate range of 5% to 15%. This is consistent with our survey presented earlier in this section, which ranged from 8.4% to 18.8%. Profit is based on the perceived risk associated with the development. Low profit expectations are typical for projects focused on more affordable product with faster sales rates. Higher profit expectations are common in projects with more risk such as developments where sales rates are slower, project size produces an extended holding period or the product type is considered weak or untested.

Elements affecting profit include location, supply/demand, anticipated risk, construction time frame and project type. Another element considered in profit expectations is for the development stage of a project. First phases typically generate a lower profit margin due to cautious or conservative pricing,

as new subdivisions in competitive areas must become established to generate a fair market share. Additionally, up front development costs on first phases can produce lower profit margins. Positive attributes of the subject property include:

- Approved entitlements
- Construction of horizontal improvements are underway
- Good transportation linkages
- Steady pricing and steady absorption in the area

There are generally few “negative” attributes associated with the subject property, other than the potential for deterioration in market conditions in the residential sector that would result from a change in macroeconomic factors (e.g., unemployment rates, interest rates, etc.). The prior table at the beginning of the Expense Projections discussion includes survey results for profit expectations of active home builders in the region.

Based on the preceding discussion and developer surveys, we have concluded an estimate of 12% for developer’s incentive.

Conclusion

Our estimates of finished lot value for the subject’s lots via the extraction analysis are presented as follows:

Extraction Analysis			
Revenue			
Average Floor Plan Size	2,800 SF		
Typical Home Price (Total Consideration)			\$600,000
Expense Projections			
G&A Costs	3.00% of Retail Value	\$18,000	
Marketing/Sales	6.00% of Retail Value	\$36,000	
Average Direct Costs	\$78.00 per SF	\$218,400	
Indirect Costs	12.00% of Direct Costs	\$26,208	
Permits and Fee	\$70,397 per lot	\$70,397	
Developer's Incentive	12.00% of home price	\$72,000	
			\$441,005
Residual Lot Value			\$158,995
		Rd.	\$159,000

Given the lack of comparable bulk lot sales with typical lot sizes under 4,000 square feet, a sales comparison approach was not performed in the valuation of the smaller benchmark lot category (MDR lots). We will solely rely upon the extraction technique. This analysis is presented as follows.

Extraction Analysis

Revenue

Average Floor Plan Size	1,800 SF	
Typical Home Price (Total Consideration)		\$450,000

Expense Projections

G&A Costs	3.00% of Retail Value	\$13,500
Marketing/Sales	6.00% of Retail Value	\$27,000
Average Direct Costs	\$78.00 per SF	\$140,400
Indirect Costs	12.00% of Direct Costs	\$16,848
Permits and Fee	\$66,133 per lot	\$66,133
Developer's Incentive	12.00% of home price	\$54,000
		\$317,881

Residual Lot Value		\$132,119
	Rd.	\$132,000

Final Conclusion of Benchmark Lot Values

For the LDR lot category, the sales comparison approach indicated \$160,000 per finished lot, while the extraction technique was also \$159,000 per finished lot. Both methods are credible and supported, but given the quality and quantity of the data in the sales comparison approach, this method of valuation is deemed more credible. As such, our conclusion of value is **\$160,000 per finished lot for the benchmark LDR category.**

With regard to the lot value for the MDR lot category, our sole method of valuation was the extraction method, which yielded a value conclusion of **\$132,000 per lot.**

Conclusion of Residential Lot Component

In this section of the report we will present the conclusion, by larger parcel designation, of the single-family residential lot component of the subject property. As a starting point we will use the benchmark lot valuations previously presented. To value the residential lot holdings, we will use the pertinent benchmark lot value. The results will be summed to arrive at the total single-family residential lot revenue.

Benchmark Lot Values

We have set two benchmark lot values based on lot size/density. As discussed earlier in the report, the benchmark parcels selected were F-9B for the LDR lots (typical lot size of 5,775 square feet) and F-11B for the MDR lots (typical lot size of 2,451 square feet). The benchmark lot conclusions of value, as shown in the previous section, are \$160,000 per lot for the LDR lots and \$132,000 per lot for the MDR lots.

Lot Size Adjustment

We have estimated a lot size adjustment factor of \$10.00 per square foot for lots greater than and smaller than the benchmark lots, consistent with our market observations.

Residential Lot Revenue

Based on the preceding analysis and discussions, estimates of market value for the varying lot size categories comprising the District is presented on the following page.

Residential Lot Component									
Phase	Designation	Builder	Project	Typical Lot Size	Land Use	Benchmark Value	Lot Size Adjustment	Adjusted Lot Value (Rd.)	No. of Lots
2F	F-13B-1	Signature Homes	Woodbridge	5,250	LDR	\$160,000	(\$5,250)	\$155,000	75
2F	F-13B-2	Signature Homes	Woodbridge	5,250	LDR	\$160,000	(\$5,250)	\$155,000	41
2G	F-8C	JMC Homes	Northwood/Summerwood	5,125	LDR	\$160,000	(\$6,500)	\$154,000	88
2G	F-8D	JMC Homes	Summerwood	7,475	LDR	\$160,000	\$17,000	\$177,000	38
2G	F-9C	JMC Homes	Wildwood	6,300	LDR	\$160,000	\$5,250	\$165,000	83
2G	F-9D	JMC Homes	Valleybrook	7,150	LDR	\$160,000	\$46,990	\$207,000	40
2H	F-7A	Lennar*	Corvara	4,500	LDR	\$160,000	\$20,490	\$180,000	67
2H	F-7B	Lennar*	Corvara	4,500	LDR	\$160,000	\$20,490	\$180,000	64
2H	F-9B	Lennar*	Monterosa	5,775	LDR	\$160,000	\$0	\$160,000	70
2I	F-11A-1	--	--	4,725	LDR	\$160,000	(\$10,500)	\$150,000	47
2I	F-11A-2	--	--	4,725	LDR	\$160,000	(\$10,500)	\$150,000	57
2I	F-11A-3	--	--	4,725	LDR	\$160,000	(\$10,500)	\$150,000	71
2I	F-12	--	--	5,250	LDR	\$160,000	(\$5,250)	\$155,000	97
2J	F-13A-1	Taylor Morrison*	--	5,775	LDR	\$160,000	\$0	\$160,000	45
2J	F-13A-2	Taylor Morrison*	--	5,775	LDR	\$160,000	\$0	\$160,000	48
2J	F-13B-3	Taylor Morrison*	--	5,775	LDR	\$160,000	\$0	\$160,000	45
3A	F-6A-1	--	--	5,775	LDR	\$160,000	\$0	\$160,000	92
3A	F-6A-2	--	--	5,250	LDR	\$160,000	(\$5,250)	\$155,000	87
3A	F-6C-1	--	--	2,451	MDR	\$132,000	\$0	\$132,000	135
3A	F-6C-2	--	--	2,044	MDR	\$132,000	(\$4,070)	\$128,000	172
3A	F-8B	--	--	2,044	MDR	\$132,000	(\$4,070)	\$128,000	127
3B	F-10A	--	--	6,050	LDR	\$160,000	\$2,750	\$163,000	122
3B	F-10B	--	--	5,250	LDR	\$160,000	(\$5,250)	\$155,000	115
3B	F-10C	--	--	6,600	LDR	\$160,000	\$8,250	\$168,000	80
3B	F-11B	--	--	2,451	MDR	\$132,000	\$0	\$132,000	152
Total^									2,058

*These lots have transferred as of the date of value; however, the 2018/19 tax rolls identifies them as being held by the master developer, ATC Realty One, LLC.

^Includes 4 lots with completed and assessed homes

Commercial Land Valuation

Sales Comparison Approach

This section of the appraisal is concerned with the valuation of the commercial (zoning = CC) land component of the subject property, represented by Parcel F-6D (5.05± acres).

In the sales comparison approach, the market value of the fee simple interest in the subject property will be estimated by a comparison to similar properties that have recently sold, are listed for sale or are under contract. The underlying premise of the sales comparison approach is the market value of a property is directly related to the price of comparable, competitive properties in the marketplace.

This approach is based on the economic principle of substitution. According to The Appraisal of Real Estate, 14th Edition (Chicago: Appraisal Institute, 2013), *“The principle of substitution holds that the value of property tends to be set by the cost of acquiring a substitute or alternative property of similar utility and desirability within a reasonable amount of time.”* The sales comparison approach is applicable when there are sufficient recent, reliable transactions to indicate value patterns or trends in the market.

The proper application of this approach requires obtaining sale data for comparison with the subject. In order to assemble the comparable sales, we searched public records and other data sources for leads, then confirmed the raw data obtained with parties directly related to the transactions (primarily brokers, buyers and sellers).

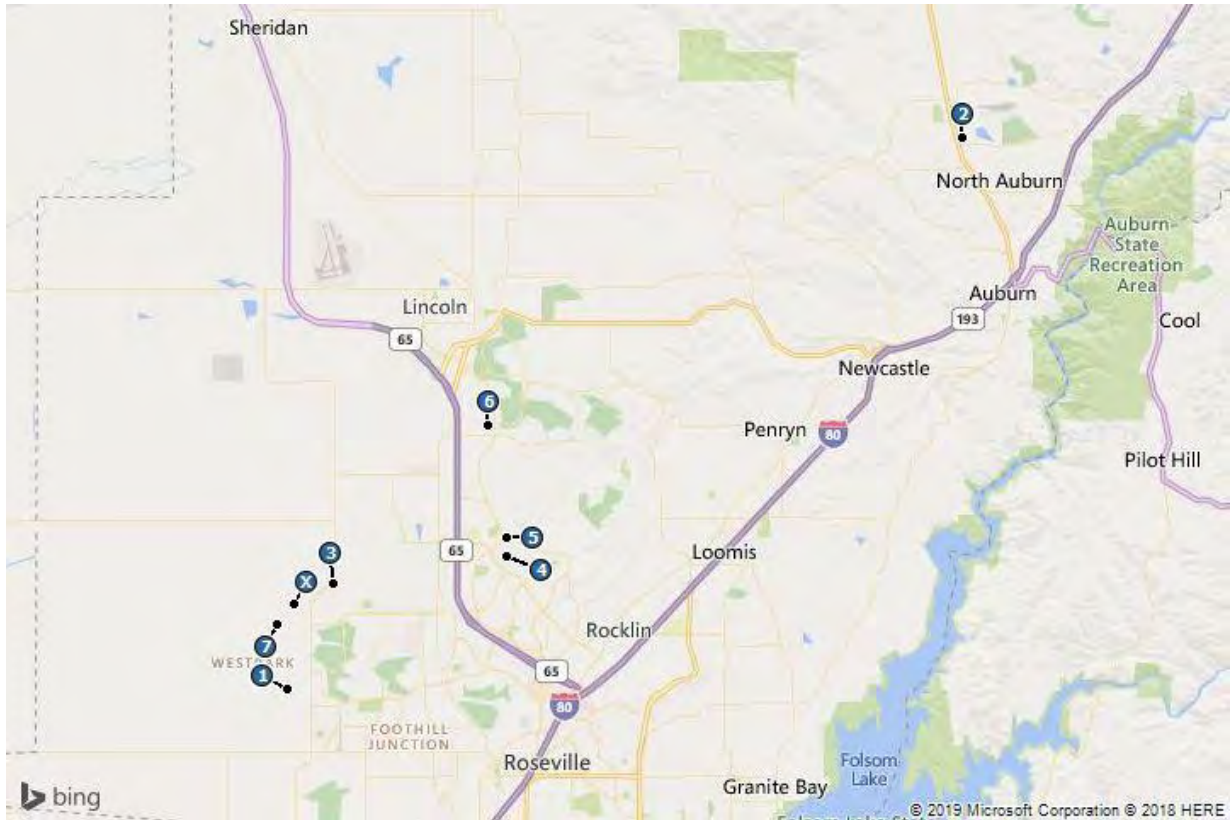
In the analysis of the subject property, we searched various sources for gathering of relevant data. In the sales comparison approach, we searched for data in our internal database, CoStar Property, Loopnet (for closed sales and active listings), and the Multiple Listing Service (MLS). We confirmed details of the transactions with parties directly involved (e.g. brokers, buyers/sellers) and/or public records.

On the following pages, we will present and analyze several comparable properties. We will begin by presenting a summary tabulation and location map, followed by detailed sales sheets, a discussion of necessary adjustments, and our conclusion of market value via this approach. These sales are the most recent transactions considered reasonably similar to the subject property.

Summary of Comparable Land Sales - Commercial Land

No.	Name/Address	Sale Date; Status	Effective Sale Price	SF; Acres	Zoning	\$/SF Land	\$/Acre
1	Vacant Commercial Land Village Plaza and Pleasant Grove Roseville Placer County CA <i>Comments: This comparable represents the sale of vacant commercial land within the city of Roseville. It was originally listed for \$995,000 and was on the market for approximately 7 months. Reportedly, the buyer intends to construct approximately 25,000 square feet of retail including restaurant space and second story office. Additionally, the buyer plans to occupy a portion of the property. The site is adjacent to a proposed assisted living & memory care community.</i>	Aug-18 Closed	\$800,000	134,600 3.09	Community Commercial/S. Area/West Roseville	\$5.94	\$258,900
2	3300 Grass Valley Hwy. Auburn Placer County CA <i>Comments: This comparable represents the sale of a commercially zoned parcel located just north of the Auburn city limits. The property is proposed for an eight building (on eight separate parcels) commercial project totaling 90,105± square feet. A tributary of Rock Creek and corresponding wetland bisects the project site and two of the eight parcels will be dedicated to open space (3.43± acres). The proposed project is anticipated to be developed in two phases. Due to site constraints and location of Highway 49 to the west, the western portion of the site presents a challenging section of land for development.</i>	Dec-16 Closed	\$1,924,000	570,636 13.10	Commercial Planned Development	\$3.37	\$146,870
3	Parcel F-81, Fiddymnt Ranch Fiddymnt Road and Angus Road Roseville Placer County CA <i>Comments: This comparable represents the sale of Parcel F-81 in Fiddymnt Ranch, at the corner of Fiddymnt Road and Angus Road. Fiddymnt Road is a well-traveled thoroughfare in a highly populated residential area. The site is zoned CC (Community Commercial). The asking price at the time of sale was \$643,000. The buyer intends to construct a gas station on the site.</i>	Aug-16 Closed	\$657,158	52,272 1.20	Community Commercial	\$12.57	\$547,632
4	5800 W Oaks 5800 W. Oaks Blvd. Rocklin Placer County CA <i>Comments: This comparable is proposed for the development of a 5 building self-storage facility including a two story office/care taker unit (total of 119,850 square feet).</i>	Jun-16 Closed	\$1,647,628	243,936 5.60	Planned Development, Bus. Professional, Commercial	\$6.75	\$294,219
5	2041 Wildcat Blvd. Rocklin Placer County CA <i>Comments: This property is located at the northeast corner of W. Stanford Ranch Road and Wildcat Boulevard. Upon the close of escrow, the buyer constructed a Taco Bell drive-thru on this site. Adjacent land uses includes single-family residential development to the east and south, vacant land and office development to the west, and a fire station and preschool to the north. This property is proximate to substantial residential development (existing and proposed).</i>	Apr-16 Closed	\$708,520	56,628 1.30	Planned Dev - Business Professional/C ommercial	\$12.51	\$545,015
6	South side of Bella Breeze Dr, west of Joiner Pkwy Lincoln Placer County CA <i>Comments: This property was marketed and sold as commercial land. At its own expense, the buyer obtained approvals/conditional use permit for an assisted living facility.</i>	Jan-16 Closed	\$4,043,808	435,600 10.00	Commercial	\$9.28	\$404,381
7	Vacant Commercial Land SWC of Blue Oaks Blvd. & N. Hayden Pky Roseville Placer County CA <i>Comments: This comparable represents a current listing of a commercially zoned parcel located at the southwest corner of Blue Oaks Blvd and N. Hayden Parkway within the Fiddymnt Ranch community of West Roseville. This parcel represents one of only 11 parcels within the specific plan zoned Community Commercial and allows for a range of uses including a drug store and car wash. A 235 unit housing development is located directly across the street; immediately adjacent is a newly constructed 156-unit apartment community. An additional 3,000 residential units are planned west of the site.</i>	Jan-19 Listing	\$2,284,799	230,868 5.30	Community Commercial	\$9.90	\$431,094
8	Subject City of Roseville Fiddymnt Ranch CFD No. 5 Roseville, CA			219,978 5.05	Community Commercial		

Comparable Land Sales Map – Commercial Land





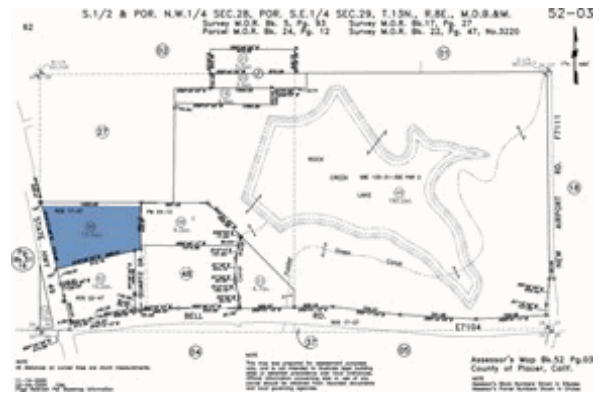
Sale 1
Vacant Commercial Land



Sale 3
Parcel F-81, Fiddymment Ranch



Sale 5
2041 Wildcat Blvd.



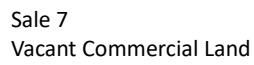
Sale 2
3300 Grass Valley Hwy.



Sale 4
5800 W Oaks



Sale 6
South side of Bella Breeze Dr, west of Joiner Pkwy



Analysis and Adjustment of Sales

The sales are compared to the subject and adjusted to account for material differences that affect value. Adjustments are considered for the following factors, in the sequence shown below.

Adjustment Factor	Accounts For	Comments
Present Value of Bonds	We consider the estimated bond encumbrances for the remainder of the term.	Most of the comparable properties are encumbered by bond debt and are adjusted upward by the present value of the bond indebtedness, on a per square foot of land area basis, to reflect the total consideration.
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.	All of the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.	All of the comparable sales represented cash to the seller transactions and, therefore, do not require adjustments.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale.	Sale 7 is an active listing and is adjusted downward to reflect typical buyer negotiations in the market. No other adjustments are warranted.
Market Conditions	Changes in the economic environment over time that affect the appreciation and depreciation of real estate.	All of the comparables transferred since 2016, which is generally indicative of current market conditions; therefore, no additional adjustments are necessary for changes in market conditions.
Location	Market or submarket area influences on sale price; surrounding land use influences.	Sale 5 is located within Rocklin, which is considered superior in proximity to Highway 65, and is adjusted downward. No other adjustments are warranted in this category.

Adjustment Factor	Accounts For	Comments
Access/Exposure	Convenience to transportation facilities; ease of site access; visibility; traffic counts.	The subject property has average visibility/accessibility for a vacant commercial site. Two of the comparable sales exhibit superior levels of visibility/accessibility relative to the subject, as they are located along more well-traveled streets or proximate to freeway interchanges. Specifically, Sales 3 and 6 receive downward adjustments.
Size	Inverse relationship that often exists between parcel size and unit value.	The market generally exhibits an inverse relationship between parcel area and price per square foot such that larger parcels sell for a lower price per square foot than smaller parcels, all else being equal. Relying on market supported indications, we have made downward adjustments to Comparables 3 and 5, which are considerably smaller than the subject, to reflect the principle of economies of scale.
Site Utility	Primary physical factors that affect the utility of a site for its highest and best use.	The subject property has average site utility, given the generally level topography, as is the case with most of the comparable sales. A tributary of Rock Creek and corresponding wetland bisects Comparable 2; due to site constraints and location of Highway 49 to the west, the western portion of the site presents a challenging section of land for development. As such, an upward adjustment is applied to this comparable for inferior site utility.

Adjustment Factor	Accounts For	Comments
Zoning	Government regulations that affect the types and intensities of uses allowable on a site.	The subject property is zoned Community Commercial (CC), which allows for a combination of retail, office and residential uses. The highest and best use of the site is consistent with the zoning. All of the comparable sales are considered to have similar zoning designations/highest and best uses as the subject, and no adjustments are warranted.
Off-Site Improvements	Access roads, sidewalks and curbs, sewers, and utility lines which add value to the entire development.	Most of the comparable sales have all off-sites in place and do not require adjustments. However, Comparable 2 is adjusted upward for lack of off sites in place.

The following table summarizes the adjustments we make to each sale.

Land Sales Adjustment Grid - Commercial Land								
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6	Comparable 7
Address	N/O Blue Oaks Blvd., W/O Fiddymnt Rd.	Village Plaza and Pleasant Grove	3300 Grass Valley Hwy.	Fiddymnt Road and Angus Road	5800 W. Oaks Blvd.	2041 Wildcat Blvd.	South side of Bella Breeze Dr, west of Joiner Pkwy	SWC of Blue Oaks Blvd. & N. Hayden Pky
City	Roseville	Roseville	Auburn	Roseville	Rocklin	Rocklin	Lincoln	Roseville
County	Placer	Placer	Placer	Placer	Placer	Placer	Placer	Placer
Sale Date		Aug-18	Dec-16	Aug-16	Jun-16	Apr-16	Jan-16	Jan-19
Sale Status		Closed	Closed	Closed	Closed	Closed	Closed	Listing
Sale Price		\$800,000	\$1,924,000	\$550,000	\$1,600,000	\$700,000	\$3,813,500	\$1,847,000
PV of Bonds		—	—	\$107,158	\$47,628	\$8,520	\$230,308	\$437,799
Effective Sale Price		\$800,000	\$1,924,000	\$657,158	\$1,647,628	\$708,520	\$4,043,808	\$2,284,799
Square Feet	219,978	134,600	570,636	52,272	243,936	56,628	435,600	230,868
Acres	5.05	3.09	13.10	1.20	5.60	1.30	10.00	5.30
Zoning Code	CC	CC-WA-WR	CPD/Dc/FH/C1	CC	PD-BP/C/U	PD-BP/C	C	CC
Price per Square Foot		\$5.94	\$3.37	\$12.57	\$6.75	\$12.51	\$9.28	\$9.90
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		=	=	=	=	=	=	=
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	=
% Adjustment		=	=	=	=	=	=	=
Conditions of Sale		Market	Market	Market	Market	Market	Market	Listing
% Adjustment		=	=	=	=	=	=	=
Market Conditions	6/4/2019	Aug-18	Dec-16	Aug-16	Jun-16	Apr-16	Jan-16	Jan-19
Annual % Adjustment		=	=	=	=	=	=	=
Location	West Roseville	West Roseville	Auburn	West Roseville	Rocklin	Rocklin	Lincoln	West Roseville
Adjustment		=	=	=	=	↓	=	=
Access/Exposure	Average	Similar	Similar	Similar	Similar	Similar	Sl. Superior	Similar
Adjustment		=	=	=	=	—	↓	—
Size	5.05	3.09	13.10	1.20	5.60	1.30	10.00	5.30
Adjustment		=	↑	↓	=	↓	=	=
Site Utility	Average	Similar	Inferior	Similar	Similar	Similar	Similar	Similar
Adjustment		=	↑↑	=	=	=	=	=
Zoning	CC	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Adjustment		=	=	=	=	=	=	=
Off-Site Improvements	Available	Similar	Inferior	Similar	Similar	Similar	Similar	Similar
Adjustment		=	↑	=	=	=	=	=
Overall Adjustment		Similar	Inferior	Superior	Similar	Superior	Sl. Superior	Sl. Superior

Land Value Conclusion – Commercial Land

After accounting for bonds, the unadjusted sale prices of the comparable sales ranged from \$3.37 to \$12.57 per square foot. Given the analysis on the preceding pages, a ranking analysis of the subject properties and the comparable sales is presented below:

Commercial Land Sales Ranking Summary			
Property	Sale Date	Price per SF (Unadjusted)	Net Adjustment
Comparable 3	Aug-16	\$12.57	Superior
Comparable 5	Apr-16	\$12.51	Superior
Comparable 7	Listing	\$9.90	Sl. Superior
Comparable 6	Jan-16	\$9.28	Sl. Superior
Comparable 4	Jun-16	\$6.75	Similar
Subject Property	--	\$6.50	--
Comparable 1	Aug-18	\$5.94	Similar
Comparable 2	Dec-16	\$3.37	Inferior

The market value of the subject property is estimated to be generally similar to the value indicators of Comparables 1 and 4, higher than Comparable 2 and lower than the balance of the data set. It should be noted most of the comparable sales have superior locations within areas of greater retail/office synergy, and/or have superior levels of visibility/accessibility. The subject property is located within a predominantly residential area with few supporting commercial uses, and has generally average visibility/accessibility for a commercial site. A conclusion of value for the commercial site (Parcel F-6D) is as follows:

Land Value Conclusion	
Indicated Value per Square Foot	\$6.50
Subject Square Feet	219,978
Indicated Value	\$1,429,857
Rounded	\$1,430,000

Multifamily Land Valuation

Introduction

As mentioned throughout this report, the subject property has two multifamily sites subject to affordable housing restrictions – Parcels F-6B and F-8A. F-6B is approved for 195 rental units, including 63 “moderate income” units, 66 “low income” units and 66 “very low income” units (no market rate units). Parcel F-8A is approved for 277 units, of which 54 will be designated as “moderate income” with the remaining designated as market rate units.

According to an apartment market research report (1st Quarter 2019) prepared by Colliers International, the average rent achieved in the Roseville/Rocklin submarket was \$1,596 per unit per month. Additionally, according to the City of Roseville Housing Division, the income-restricted units have stipulated rents as shown below:

Stipulated Income Restricted Rents			
	50% of Median Income	80% of Median Income	100% of Median Income
	Very Low	Low	Moderate
1 person	Studio	Studio	Studio
Income	\$28,050	\$39,720	\$56,100
Gross Rent	\$701	\$993	\$1,403
1.5 persons	1 bedroom	1 bedroom	1 bedroom
Income	\$32,050	\$44,870	\$64,100
Gross Rent	\$801	\$1,122	\$1,603
3 persons	2 bedroom	2 bedroom	2 bedroom
Income	\$36,050	\$50,470	\$72,100
Gross Rent	\$901	\$1,262	\$1,803
4.5 persons	3 bedroom	3 bedroom	3 bedroom
Income	\$41,275	\$57,785	\$82,550
Gross Rent	\$1,032	\$1,445	\$2,064
6 persons	4 bedroom	4 bedroom	4 bedroom
Income	\$46,500	\$65,100	\$93,000
Gross Rent	\$1,163	\$1,628	\$2,325

For the purposes of analysis, it is assumed an average floor plan within a proposed project would contain two bedrooms (most likely a combination of one-bedroom, two-bedroom and three-bedroom units, but an average overall size of two bedrooms). As such, the respective rent levels for the two-bedroom category per the table above are \$901 and \$1,262 per unit per month for the very low and low income levels, respectively.

As will be shown later, the income restrictions in place for Parcel F-6B is highly value impacting. Given the lack of comparable sales of vacant multifamily land with value-impacting affordable housing restrictions, we will exclusively utilize an extraction technique for the analysis of this parcel. This technique considers the market value assuming completion of construction and stabilized occupancy of a for-rent apartment community, and then reduces that value by the direct costs, indirect costs and

developer's profit for the construction of the project. The result of this analysis represents an estimate of the residual value for the subject property.

In the analysis of Parcel F-8A, we will exclusively utilize the sales comparison approach to value. Because the median income rent level for a two-bedroom unit (\$1,803) is currently higher than the current average rent achieved in the Roseville/Rocklin area (\$1,596), this rent restriction is not anticipated to create any impact on value.

Sales Comparison Approach – Parcel F-8A

An array of multifamily land sales in the region is presented on the next page, along with a location map, sales sheets, an adjustment grid, and our conclusion of value via the sales comparison approach.

Summary of Comparable Land Sales - Multi-family Land

No.	Name/Address	Sale Date; Status	Effective Sale Price	SF; Acres	No. of Units	\$/SF Land	\$/Unit
1	Duckhorn Pine Apartments Duckhorn Dr. Sacramento Sacramento County CA <i>Comments: This comparable represents the sale of 3 contiguous parcels located along the east line of Duckhorn Drive, west of Interstate 5 within the North Natomas submarket. The property has been approved for the development of 368 apartment units and the buyer intends to construct a 16 building project identified as the Duckhorn Pine Apartments. The cost to finish off-site improvements (including utilizes) was reported at \$0.50 psf.</i>	Dec-18 Closed	\$6,565,669	637,718 14.64	368	\$10.30	\$17,841
2	1900 Blue Oaks Blvd Roseville Placer County CA <i>Comments: This sale consists of 12.00 acres of multifamily land in Roseville. The buyer acquired the property in June 2017 for \$28,333 per unit, plus the assumption of bonds in the amount of \$3,833 per unit. The buyer plans to construct 300 units and the project (identified as Avia) will consist of 15 apartment buildings, a pool, clubhouse and playground. The project has all approvals in place and is anticipated to take approximately 22 months to complete.</i>	Jun-17 Closed	\$9,649,955	522,720 12.00	300	\$18.46	\$32,167
3	Broadstone Parkway Multifamily Site SWC Broadstone Parkway and Cavitt Drive Folsom Sacramento County CA <i>Comments: This site is located at the South West Corner of Broadstone Parkway and Cavitt Drive to the East of E. Bidwell Street. The property is proposed for a 293 unit market rate apartment project called Talavera Ridge.</i>	Apr-16 Closed	\$7,250,000	500,069 11.48	348	\$14.50	\$20,833
4	Bridgeway Square Proposed Apartments 3175 Data Dr. Rancho Cordova Sacramento County CA <i>Comments: The property was under contract for a year while Spanos took the property through the entitlement process (closed once the entitlements were approved). Off-sites includes curbs, gutters, sidewalks, and street lights; there were no on-sites. As of the date of the report, the property has received design review approval from the City and its construction permits for on-site improvements are currently being processed. Site work is slated to commence in August 2016 with vertical construction scheduled to start in October 2016.</i>	Mar-16 Closed	\$2,025,000	226,076 5.19	199	\$8.96	\$10,176
5	2215 Natomas Park Dr. Sacramento Sacramento County CA <i>Comments: This sale consists of two contiguous parcels containing a total of 10.93 acres. This comparable experienced an unusually long escrow period (1 year) due to the re-zone process from office to residential use. The project will consist of 232 units within 13 apartment buildings, a pool, clubhouse and fitness center.</i>	Feb-16 Closed	\$3,712,418	476,111 10.93	232	\$7.80	\$16,002
6	SWC Harbour Point Dr & Maritime Dr Harbour Point & Maritime Dr. Elk Grove Sacramento County CA <i>Comments: This is an investment sale. The property is located in the Southeast corner of Harbour Point Drive and Maritime Avenue, just north of Elk Grove Boulevard. The site is zoned for RD-25 (multi-family 25 units per acre). The present value of the mello-roos bond debt was estimated to be \$230,000.</i>	Oct-15 Closed	\$810,365	133,293 3.06	63	\$6.08	\$12,863
7	2134 Butano Dr. Sacramento Sacramento County CA <i>Comments: The property was listed for sale for \$3,500,000 by Amy Lerseth of the Buzz Oates Group of Companies. Ms. Lerseth indicates that her team wasn't actively marketing the subject property on its own, but rather as a component of a larger retail center, Country Club Centre, located directly north of Butano Drive at the corner of Watt Avenue and El Camino Avenue. Because of this, she indicates that she hadn't received or solicited any other offers on the subject property. The buyer plans to construct a 148-unit LIHTC apartment property on the site with 1, 2, and 3 bedroom floor plans. The LIHTC project will lease to tenants qualifying at 50% and 60% of the area median income of Sacramento County. Construction of the proposed improvements is planned to commence in Spring 2015 with a 12-16 month construction period.</i>	Apr-15 Closed	\$3,000,000	224,770 5.16	148	\$13.35	\$20,270
Subject City of Roseville Fiddymment Ranch CFD No. 5 Roseville, CA				509,216 11.69	277		

Knights Landing

Woodland

Davis

West Sacramento

Sacramento

North Highlands

McClellan AFB

Arden

Rosemont

Florin

Elk Grove

Merritt Island

Rocklin

Roseville

Citrus Heights

Folsom

Fair Oaks

Carmichael

Rancho Cordova

Mather Air Force Base

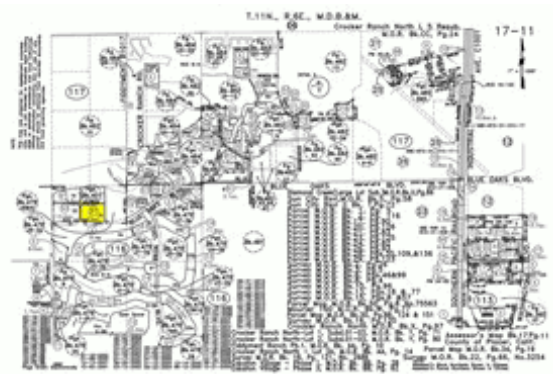
Plymouth

Sutter

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Sale 1
Duckhorn Pine Apartments



Sale 2
1900 Blue Oaks Blvd



Sale 3
Broadstone Parkway Multifamily Site



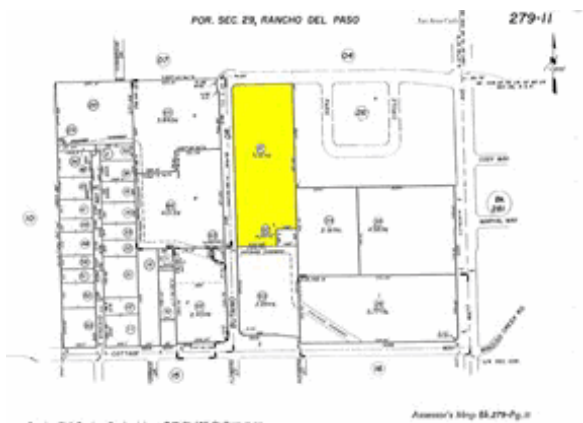
Sale 4
Bridgeway Square Proposed Apartments



Sale 5
2215 Natomas Park Dr.



Sale 6
SWC Harbour Point Dr & Maritime Dr



Sale 7
2134 Butano Dr.

Analysis and Adjustment of Sales

The comparable multifamily residential land transactions are adjusted based on the profile of the subject property with regard to categories that affect market value. A discussion involving each of these factors is presented as follows:

Adjustment Factor	Accounts For	Comments
Present Value of Bonds	Bond debt has a direct impact on the amount for which the end product will sell.	In an effort to account for the impact of bond indebtedness on the sales price, we establish a present value amount for the bond encumbrance based on the annual assessment to reflect the total consideration with each transaction.
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.	All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.	All of the comparable sales were cash to the seller transactions and do not require adjustments.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale.	All of the comparable transactions were arms-length and do not require a conditions of sale adjustment.
Market Conditions	Changes in the economic environment over time that affect the appreciation and depreciation of real estate.	Comparables 3 through 7 are adjusted upward to account for the improvement in market conditions for multifamily land since the dates of these transactions. No other adjustments are applied.
Location	Market or submarket area influences on sale price; surrounding land use influences.	The subject property is located in West Roseville, considered a good location for the regional area. Comparables 5 and 6 are located within inferior areas of Sacramento County and are adjusted upward. No other adjustments are applied.

Adjustment Factor	Accounts For	Comments
Access/Exposure	Convenience to transportation facilities; ease of site access; visibility; traffic counts.	The subject property has average visibility/accessibility, which is also the case for most of the comparable sales. Comparable 2 exhibits slightly superior visibility/accessibility with proximity to supporting commercial services and is adjusted downward. No other adjustments are warranted.
Density	All else being equal, properties that allow for lower density development sell for less per unit than those that allow for higher density development.	The subject property is approved for about 20 units per acre. All of the comparable sales have similar densities and no adjustments are warranted for this element of comparison.
Site Utility	Primary physical factors that affect the utility of a site for its highest and best use.	The subject property exhibits average site utility, with a functional shape, generally level topography and no major impediments to development. No adjustments are required in this category.
Off-site Improvements	Access roads, sidewalks and curbs, sewers, and utility lines which add value to the entire development.	Comparable 1 transferred with off-site work still needing to be completed; as such, an upward adjustment is applied to this comparable. The remaining comparables transferred with all off-site improvements in place and no adjustments are applied.

The following table summarizes the adjustments we make to each sale.

Land Sales Adjustment Grid - Multi-family Land								
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6	Comparable 7
Address	N/O Blue Oaks Blvd., W/O Fiddymnt Rd. Roseville	Duckhorn Dr.	1900 Blue Oaks Blvd.	SWC Broadstone Parkway and Cavitt Drive	3175 Data Dr.	2215 Natomas Park Dr.	Harbour Point & Maritime Dr.	2134 Butano Dr.
City		Sacramento	Roseville	Folsom	Rancho Cordova	Sacramento	Elk Grove	Sacramento
Sale Date		Dec-18	Jun-17	Apr-16	Mar-16	Feb-16	Oct-15	Apr-15
Sale Status		Closed	Closed	Closed	Closed	Closed	Closed	Closed
Sale Price		\$6,239,000	\$8,500,000	\$7,250,000	\$2,025,000	\$3,600,000	\$725,000	\$3,000,000
Expenditures After Sale		\$318,859	\$0	\$0	\$0	\$0	\$0	\$0
PV of Bonds		\$7,810	\$1,149,955	—	—	\$112,418	\$85,365	—
Effective Sale Price		\$6,565,669	\$9,649,955	\$7,250,000	\$2,025,000	\$3,712,418	\$810,365	\$3,000,000
Acres	11.69	14.64	12.00	11.48	5.19	10.93	3.06	5.16
Number of Units	277	368	300	348	199	232	63	148
Price per Unit		\$17,841	\$32,167	\$20,833	\$10,176	\$16,002	\$12,863	\$20,270
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment		=	=	=	=	=	=	=
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller -
Adjustment		=	=	=	=	=	=	=
Conditions of Sale		Market	Market	Market	Market	Market	Market	Market
Adjustment		=	=	=	=	=	=	=
Market Conditions	6/4/2019	Dec-18	Jun-17	Apr-16	Mar-16	Feb-16	Oct-15	Apr-15
Adjustment		=	=	↑	↑	↑	↑↑	↑↑
Location	West Roseville	Sacramento	W. Roseville	Folsom	Rancho Cordova	Sacramento	Elk Grove	Sacramento
Adjustment		=	=	=	=	↑	↑	=
Access/Exposure	Average	Average	Above Average	Average	Average	Average	Average	Average
Adjustment		=	↓	=	=	=	=	=
Density (Units/Acre)	23.70	25.1	25.0	30.3	38.3	21.2	20.6	28.7
Adjustment		=	=	=	=	=	=	=
Site Utility	Average	Average	Average	Average	Average	Average	Average	Average
Adjustment		=	=	=	=	=	=	=
Off-site Improvements	Available	Partial	All to site	All to site	All to site	All to site	All to site	All to site
Adjustment		↑	=	=	=	=	=	=
Overall Adjustment		Inferior	Sl. Superior	Sl. Inferior	Inferior	Inferior	Inferior	Inferior

Land Value Conclusion – Multi-family Land

After accounting for bonds, the unadjusted sale prices of the comparable sales ranged from \$10,176 to \$32,166 per unit. Given the analysis on the preceding pages, a ranking of the subject property and the comparable sales is presented in the following chart.

Multi-Family Land Sales Ranking Summary			
Property	Sale Date	Price per Unit (Unadjusted)	Net Adjustment
Comparable 2	Jun-17	\$32,167	Sl. Superior
Subject Property	--	\$25,000	--
Comparable 3	Apr-16	\$20,833	Sl. Inferior
Comparable 7	Apr-15	\$20,270	Inferior
Comparable 1	Dec-18	\$17,841	Inferior
Comparable 5	Feb-16	\$16,002	Inferior
Comparable 6	Oct-15	\$12,863	Inferior
Comparable 4	Mar-16	\$10,176	Inferior

The market value of Parcel F-8A is estimated to be lower than the value indicators of Comparable 2 and higher than the balance of the data set. Given the preceding discussion, our conclusion of value via the sales comparison approach for Parcel F-8A is as follows:

Land Value Conclusion	
Indicated Value per Unit	\$25,000
Subject Units	277
Indicated Value	\$6,925,000
Rounded	\$6,930,000

Extraction Method of Valuation – Parcel F-6B

The extraction method of valuation will be employed in this section of the appraisal as a check of reasonableness for to the sales comparison approach just presented. First, we will estimate the market value of completed/stabilized project on the subject site, then deduct the total costs of development.

Valuation at Completion of Construction and Stabilized Occupancy

In the valuation of the subject property assuming completion of construction and stabilized occupancy, which is the first step in the extraction analysis, the income capitalization approach will be utilized, which is the most credible/reliable method of valuation for an income-producing multifamily project.

For income-producing real estate, the future earning power of the property is widely regarded as the single most critical element affecting its value. Hence, the income capitalization approach is often deemed to be the most meaningful indication of value.

We will exclusively apply the direct capitalization method of the income capitalization approach. Direct capitalization converts an estimate of a single year's net operating income into an indication of value in one direct step. This step is accomplished either by dividing the income estimate by the relevant income rate (an overall capitalization rate), or by multiplying the income estimate by a proper factor (such as a gross, effective gross or net income multiplier). We will handle direct capitalization by using an overall rate, as opposed to a multiplier.

The components of the direct capitalization method are tabulated as follows and discussed below:

- Potential Gross Income
- Vacancy and Collection Loss
- Operating Expenses
- Overall Capitalization Rate

Potential Gross Income

The potential gross income of the subject property consists of market rent. As noted in the beginning of this section, we will apply market rent conclusions (\$1,596 per unit on average for the Roseville/Rocklin area) for the moderate income units and restricted rents of \$1,262 and \$901 to the low income and very low income units, respectively.

Vacancy & Collection Loss

According to the Colliers report, the average vacancy in the Roseville/Rocklin submarket is currently about 4.4%, indicating a tight market. With an allowance also given for collection loss, we conclude a vacancy/collection loss figure of 5% in our analysis.

Operating Expenses

Typical operating expense ratios for multifamily properties in South Placer County range from 35% to 40% of effective gross income. We will utilize an operating expense ratio of 37% in our analysis.

Capitalization Rate

Based upon our market observations of capitalization rates for new multifamily product in South Placer County, we will utilize a cap rate of 5.50% as it carries a slightly higher level of overall risk compared to a market rate project.

Values As If at Stabilized Occupancy

Given the discussion above, our value conclusion for the site assuming completion of construction and stabilized occupancy is shown below.

Potential Gross Income Calculation - Parcel F-6B				
Income	No. of Units	Rent/Month	Monthly Income	Annual Income
Very Low Income	66	\$901	\$59,466	\$713,592
Low Income	66	\$1,262	\$83,292	\$999,504
Moderate Income	63	\$1,562	\$98,406	\$1,180,872
Total Potential Gross Income	195			\$2,893,968
Vacancy and Collection Loss	@	5%		(\$144,698)
Effective Gross Income				\$2,749,270
Operating Expenses	@	37%	of EGI	(\$1,017,230)
Net Operating Income				\$1,732,040
Overall Capitalization Rate				5.50%
Conclusion of Value (Rd.)				\$31,490,000

Construction Cost Estimate

The next step in the extraction technique is to estimate typical costs associated with the construction of apartment complexes. In developing the cost estimate, we will rely on the Residential Cost Handbook, a nationally recognized cost-estimating guide published by the Marshall & Swift Corporation. Further, the comparative-unit method will be employed in order to derive replacement costs for the subject's improvements.

The significant factors to address when considering the comparative-unit method are:

- Direct and Indirect Costs
- Accrued Depreciation
- Developer's Overhead and Profit

These components will be presented on the following pages and then reconciled at the end of this section.

Before going any further in this analysis, it is imperative to discuss what is included and what is not included in the cost indicator. These items, as stated verbatim in the Residential Cost Handbook, are tabulated as follows:

Included in the Costs

1. In the Calculator Section, the actual costs used are final costs to the owner and will include average architects and engineers fees. These, in turn, include plans, plan check and building permits, and survey to establish building lines and grades.
2. Normal interest on only the actual building funds during period of construction and processing fee for service charges is included. Typically, this will average half of the going rate over the time period plus the service fee.
3. All material and labor costs include all appropriate local, state and federal sales or GSE taxes, etc.
4. Normal site preparation including finish, grading and excavation for foundation and backfill for the structure only.
5. Utilities from structure to lot line figured for typical setback except where noted in some Unit-in-Place cost sections (mobile homes).
6. Contractor's overhead and profit including job supervision, workmen's compensation, fire and liability insurance, unemployment insurance, equipment, temporary facilities, security, etc., are included.

Not Included in the Costs

1. Costs of buying or assembling land such as escrow fees, legal fees, property taxes, right of way costs, demolition, storm drains, or rough grading, are considered costs of doing business or land improvement costs.
2. Piling or hillside foundations are priced separately in the manual and are considered an improvement to the land. This also refers to soil compaction and vibration, terracing, etc.
3. Costs of land planning or preliminary concept and layout for large developments inclusive of entrepreneurial incentives or developer's overhead and profit are not included, nor is interest or taxes on the land, feasibility studies, certificate of need, environmental impact reports, hazardous material testing, appraisal or consulting fees, etc.
4. Discounts or bonuses paid for financing are considered a cost of doing business, as are funds for operating start up, project bond issues, permanent financing, developmental overhead for fixture and equipment purchases, etc.
5. Yard improvements including septic systems, signs, landscaping, paving, walls, yard lighting, pool or other recreation facilities, etc.

6. Off-site costs including roads, utilities, park fees, jurisdictional hookup, tap-in, impact or entitlement fees and assessments, etc.
7. Furnishings and fixtures, usually not found in the general contract, that are peculiar to a definite tenant, such as seating or kitchen equipment, etc.
8. Marketing costs to create first occupancy including model or advertising expenses, leasing or broker's commissions, temporary operation of property owners' association, fill-up or membership sales costs and fees.

The cost indicators applicable to the subject property are calculated as follows:

Apartment Building (Class D, Good Quality)	
Component	Cost
Base cost (psf)	\$104.00
Average wet sprinkler system	\$1.96
Current Multiplier	x 1.02
Local multiplier	x 1.19
Indicated replacement costs (psf)	\$128.61
Source: Marshall & Swift, Sec. 12, Pg. 16; 1,100 SF assumed unit size	

In addition, exterior stairwells are assumed at four stairwells per building (\$2,975 per stairwell), as well as appliances (\$2,800 per unit).

Cost factors must also be considered for a swimming pool and clubhouse (assumed for a typical apartment project in West Roseville) and site improvements. According to the cost budgets for comparable developments, the pool is estimated to cost a total of \$40,000, and a typical clubhouse would likely cost about \$100,000. The site cost estimate includes site paving, parking and landscaping. Generally, site improvement costs range between \$4.00 to \$8.00 per square foot. A site cost estimate towards the middle of the range, or \$6.00 per square foot, appears reasonable, given the topography/configuration of the sites.

In addition to the above costs, additional indirect cost items (appraisal fee, loan fee, construction interest, contingency, etc.) must be incorporated, and are estimated at about 10% of direct costs.

In addition to the above indirect costs, lease-up costs must also be taken into consideration. These discounts account for the time and expense to lease the subject to a stabilized occupancy level, and consist of 1) rent loss and 2) other lease-up costs. The lease-up costs are based upon the number of vacant units anticipated at completion of construction. Previously, a stabilized vacancy/collection loss rate of 5% was utilized. As such, of the 195 units to be constructed at the subject, approximately 95% are expected to be leased at stabilized occupancy. Prior to completion of construction, it is anticipated that the subject will be able to pre-lease a number of units. Based on the steady demand for rental units in the Roseville market area, it is expected that 40% of the units would be pre-leased.

Based on a survey of comparable projects throughout the region, and considering the specifics of the subject as proposed, it is anticipated the subject could achieve an absorption rate of 15 units per month. Rent loss is calculated based on the average potential gross income per unit achieved at stabilized occupancy.

Other rent-up costs for a project like the subject typically include marketing, advertising and rental concessions. These costs are over and above the marketing costs of a project already at stabilized occupancy. Lease-up costs can be calculated individually or estimated in bulk. Based on the lease-up reserve expenses reported for new multifamily development within the region, a total lease-up cost of approximately \$1,000 per unit is estimated. It is noted that rent-up cost is applied to both pre-leased and vacant units, as both would require this expenditure.

The total lease-up costs to be incorporated in the cost analysis are shown in the following table.

Lease-Up Costs - Parcel F-6B				
Rent Loss				
Month 1	117 Units @	\$1,237	per mo. =	\$144,698
Month 2	102 Units @	\$1,237	per mo. =	\$126,147
Month 3	87 Units @	\$1,237	per mo. =	\$107,596
Month 4	72 Units @	\$1,237	per mo. =	\$89,045
Month 5	57 Units @	\$1,237	per mo. =	\$70,494
Month 6	42 Units @	\$1,237	per mo. =	\$51,943
Month 7	27 Units @	\$1,237	per mo. =	\$33,392
Month 8	12 Units @	\$1,237	per mo. =	\$14,841
Total Rent Loss				\$638,157
Other Lease-Up Costs				\$195,000
Total Lease-Up Costs				\$833,157

Accrued Depreciation

Not applicable. The subject buildings would not be expected to suffer from any physical deterioration, functional obsolescence or external obsolescence at completion.

Developer's Incentive

According to industry sources, developer's incentive (overhead and profit) historically has ranged anywhere from 8% to 25% in the region. For purposes of this analysis, a developer's incentive of 10% will be utilized.

Conclusion

Considering the components discussed on the previous pages, the estimated construction costs for a multifamily residential development are detailed in the following table.

Cost Approach - Parcel F-6B

Marshall & Swift Cost Indicators

Buildings	214,500 SF	@	\$128.61 / SF =	\$27,587,756
Exterior Stairways	49 flights	@	\$2,975 / flight =	\$145,775
Appliances	195 units	@	\$2,800 / unit =	\$546,000
Swimming Pool				\$40,000
Clubhouse				\$100,000
Site Improvements	339,768 SF	@	\$5.00 / SF =	<u>\$1,698,840</u>
Total Direct Costs				\$30,118,371
Indirect Costs (Exclusive of Lease-Up Costs)		@	10% of direct	\$3,011,837
Lease-Up Costs				\$833,157
Total Indirect Costs				\$3,844,994
Total Direct and Indirect Costs				\$33,963,365
Developer's Incentive		@ 10%		\$3,396,337
Total Project Costs (Rd.)				\$37,360,000

Conclusion of Value via Extraction

Using the income approach to value, we estimated the value of the subject property as a for-rent apartment community, assuming completion of construction and stabilized occupancy. With reference to the Residential Cost Handbook, a nationally recognized cost-estimating guide published by the Marshall & Swift Corporation, total project costs (direct costs, indirect costs and developer's profit) were also estimated. Thus, conclusions of value for Parcel F-6B, via the extraction method, is presented as follows:

Value Conclusion - Parcel F-6B

Value Assuming Completion	\$31,490,000
Less: Total costs to construct	(\$37,360,000)
Indicated Land Value	(\$5,870,000)

If the subject apartment site were able to be developed with market-rate housing, it is our opinion multifamily development would be financially feasible and maximally productive. However, Parcel F-6B has restrictive affordable housing requirements as a result of the very low income rent levels. Given apartment construction costs, combined with the restrictions on the rent that can be charged, it is our opinion development of this parcel is not financially feasible without the input of grant money, low to no interest rate loans and the like. Further, it has been reported that one affordable multifamily site in the subject's market area required a financial incentive from the seller in order for the buyer to take title to the property. This would indicate a market value below \$0. Therefore, for the purpose of this analysis, we will assign no value contribution to Parcel F-6B. However, there is a cost involved with the sell-off of these sites, as will be discussed in the next section.

As Parcel F-8A does not contain any value impacting rent restrictions, a conclusion of value for this parcel, based solely on market rent, is \$6,930,000, or approximately \$25,018 per unit (277 units).

In summary, our final value conclusions for the two multifamily residential parcels, F-6B and F-8A, are as follows:

Multifamily Value Conclusions		
Parcel	No. of Units	Concluded Value
F-6B	195	\$0
F-8A	277	\$6,930,000

Market Valuation by Ownership

Introduction

The appraised properties represent certain components of the Westbrook master planned community. In this section, the previously concluded market values will be allocated to each ownership group comprising the appraised properties in order to provide a market value of the appraised properties by ownership and parcel. A summary of the various ownership group holdings is provided in the following table.

Owners of Record							
Owner	Commercial Parcels	Multifamily Units	Finished Lots	Partially Completed		Unimproved Residential lots	Totals
				Homes	Completed Homes*		
Individual Homeowners	--	--	--	--	7	--	7
Fiddymment 116 Lots, LLC.	--	--	59	13	33	--	105
ATC Realty One, LLC.	1	472	--	--	--	1,354	1,827
John Mourier Construction, Inc.	--	--	105	62	82	--	249
Lennar Homes of California LLC.	--	--	137	49	15	--	201
Taylor Morrison	--	--	--	--	--	138	138
Totals	1	472	301	124	137	1,492	2,527

*Completed homes without a complete assessment for structural improvements by County Assessor

The appraised properties consist of 1,492 unimproved residential lots, 301 finished residential lots, 124 homes under construction, one commercial parcel and two multifamily (high density residential) parcels. There are also 137 completed single-family homes within the boundaries of the CFD not currently assessed for an improvement value by the Placer County Assessor; as such, a not-less-than estimate of market value for the smallest floor plan constructed within each subdivision was appraised and assigned to each respective Assessor's parcel within the CFD.

The not-less-than market values for the smallest floor plans developed within the District are assigned to the 7 completed homes held by individual homeowners, which is presented in the Addenda to this report. The 130 completed homes, which includes model homes, held by the merchant builders are based on the not-less-than values previously reported. It should be noted the Assessor's Office records are not current as to ownership and most of the completed homes appraised herein, with the exception of model homes, are actually currently owned by individual homeowners. The balance of the taxable properties in the CFD include 4 single family homes with a complete assessed value for both land and improvements, which are not appraised herein.

In light of the fact the merchant builders have a number of lot(s) that could sell in bulk to one buyer within 12 months, no additional discounting is necessary beyond the market value, in bulk, of the various single-family residential lot categories previously estimated. It is also worth noting, while the Assessor's Tax Roll identifies 130 completed single-family homes held under the ownership of merchant builders, based on an inspection and inventory of the subject parcels, most of these homes appear to have, in fact, sold to individual homeowners. Therefore, these completed homes are not included in the determination of bulk discounting.

Taylor Morrison recently acquired 138 lots (F-13A-1, F-13A-2, F-13B-3) from the master developer. These lots transferred in “super pad” condition and according to the developer, the merchant builder will experience slightly higher costs because there is a large storm drain that runs through the middle of the project that serves upstream property. Thus, they have to construct landscaping/retaining walls/bike trail/fences along the boundary, as well as backup landscaping/sidewalk/soundwalls along the north boundary of Hayden Parkway. As such, we have utilized a higher in-tract cost of \$76,000 per lot. The value for these 138 lots is presented as follows:

Taylor Morrison Residential Lot Revenue							
Larger Parcel Designation	Typical Lot Size	Land Use	Lot Value	In-Tract Costs	Adjusted Lot Value	No. of Lots	Value in Bulk
F-13A-1	5,775	LDR	\$160,000	(\$76,000)	\$84,000	45	\$3,780,000
F-13A-2	5,775	LDR	\$160,000	(\$76,000)	\$84,000	48	\$4,032,000
F-13B-3	5,775	LDR	\$160,000	(\$76,000)	\$84,000	45	\$3,780,000
Total						138	\$11,592,000

As previously noted, since the majority of the undeveloped land within the District is held by a single owner, the master developer, ATC Realty One, LLC., the market value of this ownership interest will involve the subdivision development method (a type of discounted cash flow analysis), which takes into consideration the revenue and expenses (including the completion of backbone infrastructure) associated with selling off the individual larger parcels over an estimated absorption period (also incorporating an appropriate discount rate to the cash flows).

Based on the previous analysis, the estimates of market value, by ownership, subject to the impact of the Lien of the Special Tax securing the City of Roseville Community Facilities District No. 5 (Fiddymment Ranch) Bonds, as of June 4, 2019, are estimated in the following table.

Values by Ownership			
Individual Homeowners	Lots/Parcels	Value per Lot/Home	Market Value
Finished Homes without AVs			
Woodbridge	7	\$525,000	\$3,675,000
Total	7		\$3,675,000
Fiddymment 116 Lots, LLC. (Signature Homes)			
Finished Lots	59	\$155,000	\$9,145,000
Homes under Construction	13	\$155,000	\$2,015,000
Finished Homes without AVs			
Woodbridge	33	\$525,000	\$17,325,000
Total	105		\$28,485,000
John Mourier Construction, Inc.			
Finished Lots (varies)	105	\$167,619	\$17,600,000
Homes under Construction (varies)	62	\$168,145	\$10,425,000
Finished Homes without AVs			
Summerwood	16	\$470,000	\$7,520,000
Northwood	16	\$465,000	\$7,440,000
Valleybrook	25	\$662,000	\$16,550,000
Wildwood	25	\$555,000	\$13,875,000
Total	249		\$73,410,000
Lennar Homes of CA*			
Finished Lots (varies)	137	\$175,036	\$23,980,000
Homes under Construction (varies)	49	\$168,571	\$8,260,000
Finished Homes without AVs			
Corvara	10	\$510,000	\$5,100,000
Monterosa	5	\$518,000	\$2,590,000
Total	201		\$39,930,000
Taylor Morrison*			
Unimproved Lots	138	\$84,000	\$11,592,000
Total	138		\$11,592,000
TOTAL	700		\$157,092,000
*The 18/19 tax roll identifies these lots as being owned by ATC Realty One, LLC.; however, they have transferred as of the date of value.			

ATC Realty One, LLC. Ownership

In this section, the market value, in bulk, of this largest land owner will be estimated. Due to the number of components, a discounted cash flow analysis (subdivision development method) is the most appropriate technique of arriving at the bulk market value for the subject property.

Discounted Cash Flow Analysis

A discounted cash flow analysis is a procedure in which a discount rate is applied to a projected revenue stream generated from the sale of individual components of a project. In this method of valuation, the appraiser/analyst specifies the quantity, variability, timing and duration of the revenue streams and discounts each to its present value at a specified yield rate.

The four main components of a discounted cash flow analysis are listed as follows:

- **Revenue** – the total gross income derived from the disposition of the subject’s land components
- **Absorption Analysis** – the time frame required to sell-off the components. Of primary importance in this analysis is the allocation of the revenue over the absorption period – including the estimation of an appreciation factor (if any).
- **Expenses** – the expenses associated with the sell-off of the components are calculated in this section – including administration, marketing and commission costs and property taxes.
- **Discount Rate** – the appropriate discount rate is derived by employing a variety of data.

Discussions of these four concepts begin below, with the discounted cash flow analysis offered at the end of this section.

Total Revenue

The revenue portion of this analysis is based on the conclusions of market value for the subject’s various components, which include 768 unimproved LDR lots, 586 unimproved MDR lots, two HDR parcels totaling 472 units and one commercial lot. In the Market Value - Single-Family Lot valuation section presented earlier, the value for the various improved lot categories comprising the ATC Realty One, LLC. ownership were estimated. Since the lots are in an unimproved condition, in order to estimate the LDR and MDR component values for the subject property, deductions for site development must be considered from the improved lot values previously estimated. As previously discussed, site development costs are estimated at \$46,000 per LDR lot and \$42,000 per MDR lot. Thus, the single-family residential lot component value is estimated as follows:

ATC Realty Residential Lot Revenue

Larger Parcel							
Designation	Typical Lot Size	Land Use	Lot Value	In-Tract Costs	Adjusted Lot Value	No. of Lots	Value in Bulk
F-11A-1	4,725	LDR	\$150,000	(\$46,000)	\$104,000	47	\$4,888,000
F-11A-2	4,725	LDR	\$150,000	(\$46,000)	\$104,000	57	\$5,928,000
F-11A-3	4,725	LDR	\$150,000	(\$46,000)	\$104,000	71	\$7,384,000
F-12	5,250	LDR	\$155,000	(\$46,000)	\$109,000	97	\$10,573,000
F-6A-1	5,775	LDR	\$160,000	(\$46,000)	\$114,000	92	\$10,488,000
F-6A-2	5,250	LDR	\$155,000	(\$46,000)	\$109,000	87	\$9,483,000
F-6C-1	2,451	MDR	\$132,000	(\$44,000)	\$88,000	135	\$11,880,000
F-6C-2	2,044	MDR	\$128,000	(\$44,000)	\$84,000	172	\$14,448,000
F-8B	2,044	MDR	\$128,000	(\$44,000)	\$84,000	127	\$10,668,000
F-10A	6,050	LDR	\$163,000	(\$46,000)	\$117,000	122	\$14,274,000
F-10B	5,250	LDR	\$155,000	(\$46,000)	\$109,000	115	\$12,535,000
F-10C	6,600	LDR	\$168,000	(\$46,000)	\$122,000	80	\$9,760,000
F-11B	2,451	MDR	\$132,000	(\$44,000)	\$88,000	152	\$13,376,000
Total						1,354	\$135,685,000

For the reader's reference, a summary of the revenue component is as follows:

Revenue Summary

Component	No. of Lots/Units	Value
LDR Lots	768	\$85,313,000
MDR Lots	586	\$50,372,000
HDR Parcel (Market)	277	\$6,930,000
HDR Parcel (Affordable)	195	\$0
Commercial Parcel	1	\$1,430,000
Total	1,827	\$144,045,000

Absorption

Absorption rates are best measured by looking at historic absorption rates for similar properties in the region. In developing an appropriate absorption period for the disposition of the subject's components, we have considered historic absorption rates for similar properties and also attempted to consider the impacts of present market conditions, as well as the anticipated changes in the market. Real estate is cyclical in nature, and it is difficult to accurately forecast specific demand over a projected absorption period. Thus, when estimating absorption, it is important to give significant weight to the past experience of parties marketing similar projects for sale.

In attempting to estimate the exposure time required for the disposition of the single-family residential land (LDR and MDR lots) component of the subject, both the historical exposure times and projected economic conditions have been considered. For any master planned community, it is common to segment the product to allow it to appeal to the broadest spectrum of potential users offering a wide range of price points. While there is a correlation between the sell-off of the end product (roof tops) and the sell-off of the land components, the relationship may not be readily

apparent. Generally, the higher priced end products are expected to experience slower absorption rates than the lower priced end products, which are driven by the size of the respective buying pools. Thus, one could sell two land use components that will not compete with each other, due to product and price point differences, at similar times in the development process without jeopardizing absorption. A master developer's goal, and the goal of any respective builder, would be to avoid saturating the market with product. By the use of segmenting the range of product and diversifying the type of product, a development can maximize the return to the land by hastening the disposition time necessary to sell off the land.

A number of assumptions are made in the discounted cash flow analysis, not the least of which is the forecast of absorption, or disposition, of the various land use components comprising the subject property. It is common for surveys of market participants to reveal different estimations of anticipated absorption periods for the sell-off of multiple components comprising a master planned development, with some developers preferring to hasten the holding period in favor of mitigating exposures to fluctuations in market conditions; whereas, other developers prefer to manage the sell-off of the property over an extended period of time so as to minimize direct competition of product within the master planned project.

In light of the relative strength of the residential market in the West Roseville area, but also considering the remaining backbone infrastructure requirements, it is anticipated the disposition of the residential land could occur over four years.

The programmed sell-off of the lots will allow the developers greater control over the ultimate build-out of the communities and capture anticipated market appreciation in lot (and home) prices, as well as manage any market contractions. It is noted that we do not estimate an exact sequencing of absorption of the residential parcels, given that such an attempt would be considered highly speculative. As such, we average the revenues evenly over the respective absorption periods.

The subject also includes one commercial parcel totaling 5.05 acres; while this site is expected to receive adequate interest from the market, development of the site will likely be driven by the completion and sale of single-family homes, prompting demand for supporting commercial services. It is our opinion the commercial site will likely sell in Year 4 of the analysis.

With regard to the multifamily land component, Parcel F-8A consists of 277 units and F-6B consists of 195 units. F-8A has no income restrictions with detrimental effects on value; however, given its position at the periphery of the property and would require completion or near completion of all infrastructure improvements (later stage of development), Parcel F-8A is projected to sell in Year 4 of the analysis. As noted, Parcel F-6B is an affordable housing site with no value. For the purposes of this analysis, it is assumed this parcel would be disposed of in Year 4 of the analysis.

Expenses

Changes in Expenses (Expense Increases or Decreases)

Market participants widely expect expenses to increase either from inflation or labor increases (as workers become less willing to accept lower pay as more sources of work become available). General

and administrative and marketing and sale expenses are calculated in this section as a fixed percentage of revenue. Property tax expenses are trended upward, as will be discussed in a later section.

General and Administrative Expenses

General and administrative expenses would include management of project entitlements and Community Facilities District financing, as well as coordination with others. This expense category typically ranges from 2.0% to 4.0%, depending on length of the project and if all of the categories are included in a builder's budget. For purposes of this analysis, we have estimated this expense at 2.0% of revenue, which is spread evenly over the sell-off period.

Marketing and Sale

Based on the total revenue, we have estimated an expense of 2.0% for sales, which is within market parameters. For the sell-off of residential parcels (Units) to builders, marketing costs would be negligible, since master developers often contact builders directly and indicate lots are available, rather than openly list properties and have marketing costs.

Backbone Infrastructure

The reported remaining unfunded infrastructure costs are \$18,280,000, which will be utilized in our analysis and disbursed during the sell-out period, with 40% of the costs presumed to be incurred in the first year, followed by a descending cost expenditure through Year 4. The balance, \$17,040,000, is anticipated to be financed by the CFD No. 5 special tax bonds, subject to the hypothetical condition, that certain of the proceeds from the Bonds are available to finance the completion of additional improvements.

Property Taxes and Assessments

Ad valorem real estate taxes are estimated based on a 1.085576% tax rate applied to the estimated market value, in bulk, conclusion, which is then allocated between the residential lots and commercial acreages. As the lots and land are sold, taxes are reduced on a pro-rata basis in the analysis. Ad valorem tax estimates are appreciated at a rate of 2.0% per year.

For the reader's reference, the ad valorem tax table shown in the analysis reflects annual taxes per residential lot/unit and annual taxes per commercial acre. First, we estimated the total aggregate revenue allocation between the LDR, MDR, commercial and HDR components, then we multiplied each allocation percentage by the total tax obligation, and then divided this number by the number of lots/units or total commercial acreage to arrive at estimates of annual tax obligations for each component. Ad valorem taxes are expected to decrease as lots are sold, as they are paid on total existing inventory.

With regards to the direct charges, we array the annual (2018/19) total maximum special tax rates for the various components as follows:

Fiddymment Ranch CFD No. 5

Proposed Land Use	Special Tax Per Lot/Unit/Acre
LDR	\$1,792
MDR	\$1,379
HDR (Market Rate)	\$689 /unit
HDR (Affordable)	\$345
Commercial	\$6,893

City of Roseville CFD No. 2 (Services)

Proposed Land Use	Special Tax Per Lot/Unit/Acre
LDR	\$684
MDR	\$630
HDR (Market Rate)	\$2,393 /acre
HDR (Affordable)	\$201
Commercial	\$1,449

City of Roseville CFD No. 3, Municipal Services

Proposed Land Use	Special Tax Per Lot/Unit/Acre
LDR	\$440
MDR	\$440
HDR (Market Rate)	\$294 /unit
HDR (Affordable)	\$147
Commercial	\$2,409

It is noted Fiddymment Ranch CFD #1 has an annual maximum escalation of 2%, while CFDs #2 and #3 have a maximum escalation at 4% per year.

Net Cost of Sale (Income-Restricted Parcel)

As noted throughout this report, Parcel F-6B is 100% designated for income-restricted for-rent units. Given that the cost of construction exceeds the value upon completion/stabilized occupancy, there is no value to this parcel. In fact, there is a net cost to the property owner, as development of the West Roseville Specific plan requires construction of affordable housing at some point. Our analysis of Parcel F-6B in the previous section showed a “value” of negative \$5,870,000. This valuation, however, is somewhat speculative since it requires a number of inputs with regard to revenues and costs

associated with a proposed project. We would expect the owner to be required to pay a buyer to take ownership of the site. This assertion is supported by a recent transaction within the adjacent Westpark Community in West Roseville, where the developer paid \$3.5 million to St. Anton Partners to acquire an affordable multifamily residential site. This transaction better represents a “market” sale that reflects actual buyer-seller transactions of this property type, and is a more reliable indicator of value than an extraction analysis. It is presumed the master developer would attempt to transfer both affordable housing parcels to a similar developer; thus, a figure of \$3.5 million is reflected as a cost in the final period of the analysis, when the sites are sold (and coincides with the timeline of expected backbone infrastructure completion).

Discount Rate (Internal Rate of Return)

The project yield rate is the rate of return on the total un-leveraged investment in a development, including both equity and debt. The leveraged yield rate is the rate of return to the “base” equity position when a portion of the development is financed. The “base” equity position represents the total equity contribution. The developer/builder may have funded all of the equity contribution, or a consortium of investors/builders as in a joint venture may fund it. Most surveys indicate that the threshold project yield requirement is about 20% to 30% for production home type projects. Instances in which project yields may be less than 20% often involve profit participation arrangements in master planned communities where the master developer limits the number of competing tracts.

According to a leading publication within the appraisal industry, the PwC Real Estate Investor Survey^[1], discount rates for land development projects ranged from 10.00% to 20.00%, with an average of 15.80% during the Fourth Quarter 2018, which is 40 basis points above the average reported in the Second Quarter 2018, the last time the survey was conducted. Without entitlements in place, certain investors will increase the discount rate between 100 and 800 basis points (the average increase is 394 basis points). These rates are free-and-clear of financing, are inclusive of developer’s profit, and assume entitlements are in place. The surveyed investors have mixed opinions regarding value trends for the national development land market; their expectations range from negative 10.0% to positive 10.0% with an average expected value change of positive 1.2%.

According to the data presented in the survey prepared by PwC, the majority of those respondents who use the discounted cash flow (DCF) method do so free and clear of financing. Additionally, the participants reflect a preference in including the developer’s profit in the discount rate, versus a separate line item for this factor. As such, the range of rates presented above is inclusive of the developer’s profit projection.

The discount rates are based on a survey that includes residential, office, retail and industrial developments. Participants in the survey indicate the highest expected returns are on large-scale, unapproved developments. The low end of the range was extracted from projects where certain development risks had been lessened or eliminated. Several respondents indicate they expect slightly lower returns when approvals/entitlements are already in place.

Excerpts from recent PwC surveys are copied below.

Looking ahead over the next 12 months, surveyed investors forecast property values in the national development land market to either increase as much as 10.0% or decrease as much as 5.0%. Their average expected appreciation rate is 3.8% – just above the rate of 3.5% six months ago. (Fourth Quarter 2018)

Compared to investors’ responses six months ago, a greater sense of caution is evident among our participants due to heightened uncertainty as it related to the current political environment, capital markets, and the industry’s position in the real estate cycle... “the further path of interest rates and inflation, the longevity of the current cycle [*are we near the peak?*], and the high degree

[1] PwC Real Estate Investor Survey, PricewaterhouseCoopers, 4th Quarter 2018, Volume 30, Number 4.

of uncertainty with regard to the overall stability of the decision makers in the federal government. (Second Quarter 2018)

The largest increase over the past year occurs for the retail sector, where the rating rises from 2.42 to 2.55. The retail sector's development rating took a big hit between 2016 and 2017 and it appears that developers are now becoming more comfortable with this sector's evolution. Ironically, the only two sectors to see their development ratings decline this year, albeit slightly, are apartments and industrial, where concerns of oversupply issues have been expressed... Single-family development also gets a nod, as well as senior housing, where favorable demographics, compelling returns, greater liquidity, rising transparency, and mounting understanding of the benefits for residents appeal to investors... (Fourth Quarter 2017)

This quarter, most surveyed investors note that the industrial sector presents the best opportunities for development land investing in the near term. Other top choices include restaurant and high-end luxury residential... Total spending on U.S. private construction was up 7.0% on a year-over-year basis in March 2017, according to the U.S. Census Bureau. When looking more closely, private residential spending was up 7.5% while private nonresidential spending was up 6.4% – still positive, but below its year-over-year growth for March 2016 (9.3%). In the nonresidential sector, communication, office, and education reported the highest year-over-year gains in spending as of March 2017. In contrast, spending for health care, religious, and transportation construction declined year over year in March 2017... (Second Quarter 2017)

Surveyed investors remain divided when asked which property sector presents the best opportunity for development land investing in the near term. While some believe that undeveloped residential land represents the best prospects for investing, a few others feel that land readied for retail development stands as the best opportunity for investors... While investors may be divided when it comes to which land type to pursue, they unanimously see positive opportunities over the near term and are eager to partake... Within the commercial real estate (CRE) industry, Reis reports that construction activity across all major property types continues to increase, fueled by the ongoing recovery in the economy and CRE fundamentals... Total spending on U.S. private construction was up 8.5% on a year-over-year basis in March 2016, according to the U.S. Census Bureau. When looking at private spending, private residential construction was up 7.8%, while private non-residential spending was up 9.3%... Over the next 12 months, all investor participants except one foresee development land values to increase... (Second Quarter 2016)

First, investors and developers are increasingly looking for development opportunities throughout the commercial real estate (CRE) industry – in both established sectors, like apartments, as well as in niche sectors, like data centers housing. And second, rising construction and land costs will likely keep the development cycle “in check,” helping sustain the industry's recovery. Even though development ranks as the second preferred investment category/ strategy... only three of the five main CRE property types reported development prospects ratings higher than last year's report... retail, office and industrial. The apartment sector's score slipped slightly this year, while the hotel sector's rating decreased the most. Outside the traditional CRE property sectors... respondents felt that development prospects in 2016 were best for 1) urban mixed-use properties, 2) data centers, 3) master-planned communities, 4) self-storage, and 5) infrastructure. (Fourth Quarter 2015)

Of the four main property types covered in our Survey, three of them are expected to positively move along the real estate cycle, shifting mainly into either expansion or recovery, which will provide development opportunities. The one exception is the national multifamily sector, where many metros are expected to move into contraction by year-end 2015... Over the next 12 months, all investor participants expect one foresee development land values to increase. Appreciation ranges up to 15.0% and averages 5.2%. (Second Quarter 2015)

Information for a developing in-house database of project yield rates is presented in the following table. It is noted the following survey related to production home developments at the land stage.

Project Yield Rate Survey	
Data Source	Yield / IRR Expectations (Inclusive of Profit)
PwC Real Estate Investor Survey - Fourth Quarter 2018 (updated semi-annually)	Range of 10.0% to 20.0%, with an average of 15.8%, inclusive of profit and assuming entitlements in place, for land development (national average)
National Builder	20% to 25% for entitled lots
Regional Builder	18% to 25%. Longer term, higher risk projects on higher side of the range, shorter term, lower risk projects on the lower side of the range. Long term speculation properties (10 to 20 years out) often closer to 30%.
National Builder	18% minimum, 20% target
Developer	Minimum IRR of 20-25%; for an 8 to 10 year cash flow, mid to upper 20% range
Developer	25% IRR for land development is typical (no entitlements); slightly higher for properties with significant infrastructure costs
Land Management Company	20% to 30% IRR for land development deals on an unleveraged basis
Land Developer	35% for large land deals from raw unentitled to tentative map stage, unleveraged or leveraged. 25% to 30% from tentative map to pad sales to merchant builders, unleveraged
Land Developer	18% to 22% for land with some entitlements, unleveraged. 30% for raw unentitled land
Real Estate Consulting Firm	Low 20% range yield rate required to attract capital to longer-term land holdings
Land Developer	Merchant builder yield requirements in the 20% range for traditionally financed tract developments. Larger land holdings would require 25% to 30%. Environmentally challenged or politically risky development could well run in excess of 35%.
Regional Builder	10% discount rate excluding profit for single-family subdivisions
National Builder	10% to 40% for single-family residential subdivisions with 1-2 year development timelines
Regional Builder	15% to 20% IRR
Regional Builder	No less than 20% IRR for land development, either entitled or unentitled
Land Developer	20% to 30% for an unentitled property; the lower end of the range would reflect those properties close to tentative maps
Regional Builder	No less than 30% when typical entitlement risk exists

There are several positive attributes associated with the subject property that we consider in our selection of a discount rate, including (but not necessarily limited to):

- Location within the West Roseville area, which is one of the most desirable communities for new home construction and new home purchases in the Sacramento region;

- Entitlement status of the subject property as tentatively mapped lots with all mitigation in place;
- Recent momentum in bulk lot purchases by regional and/or national builders in the West Roseville area

Even though much of the entitlement risk and the extent of the development and mitigation costs have been mitigated and quantified, there is risk associated with estimating the timing that the subject components will be sold off. In addition, there is risk associated with unforeseen factors such as broad economic declines and job losses as well as competition from other projects proximate to the subject. Finally, there remains a significant amount of backbone infrastructure to be completed during the sell-off period; additionally, the sell-off period (four years) is considered somewhat protracted, which increases overall risk. Considering these factors, and the positive and negative characteristics previously described, a discount rate of **15%** is estimated for the land holdings held by the master developer.

Conclusion

The discounted cash flow analysis (subdivision development method) is presented as follows:

Subdivision Development Method				
Inputs				
Number of LDR Lots	768	Ad Valorem Tax Table		
Total LDR Revenue	\$85,313,000	Annual Increase in Property Taxes		2%
Total LDR Revenue per Lot	\$111,085	First Year Annual Taxes/LDR Lot		\$561
		First Year Annual Taxes/MDR Lot		\$434
Number of MDR Lots	586	First Year Annual Taxes per Commercial Acre		\$1,430
Total MDR Revenue	\$50,372,000	First Year Annual Taxes per HDR Unit		\$126
Total MDR Revenue per Lot	\$85,959			
		Special Assessments		
Number of Commercial Lots	1	LDR Lots		
Commercial Acreage	5.05	Fiddlyment Ranch CFD #5	\$1,792 /lot	2%
Total Commercial Revenue	\$1,430,000	CFD #2	\$712 /lot	4%
Total Commercial Revenue per Acre	\$283,168	CFD #3	\$440 /lot	4%
		MDR Lots		
Number of HDR Units (F-8A)	277	Fiddlyment Ranch CFD #5	\$1,379 /lot	2%
Total HDR Value	\$6,930,000	CFD #2	\$656 /lot	4%
Total HDR Value per Unit	\$25,018	CFD #3	\$440 /lot	4%
		Commercial Lots		
Number of HDR Units (F-6B)	195	Fiddlyment Ranch CFD #5	\$6,893 /acre	2%
Total HDR Value	\$0	CFD #2	\$1,507 /acre	4%
Total HDR Value per Unit	\$0	CFD #3	\$2,409 /acre	4%
		HDR Units		
General & Administrative	2.0%	Fiddlyment Ranch CFD #5	\$689 /unit	2%
Marketing and Commissions	2.0%	CFD #2	\$2,393 /acre	4%
		CFD #3	\$294 /unit	4%
		HDR Units (Affordable)		
Remaining Backbone Infrastructure	\$18,280,000	Fiddlyment Ranch CFD #5	\$345 /unit	2%
		CFD #2	\$210 /unit	4%
		CFD #3	\$147 /unit	4%

Revenue, Expenses and Valuation

LDR Revenue		Year:	1	2	3	4	Total
Sales (Lots):			192	192	192	192	768
End of Period Inventory			576	384	192	0	
Total Period Inventory			768	576	384	192	
LDR Revenue		\$	21,328,250	\$ 21,328,250	\$ 21,328,250	\$ 21,328,250	\$ 85,313,000
MDR Revenue							
Sales (Lots):			0	195	195	196	586
End of Period Inventory			586	391	196	0	
Total Period Inventory			586	586	391	196	
MDR Revenue		\$	-	\$ 16,762,014	\$ 16,762,014	\$ 16,847,973	\$ 50,372,000
Commercial Revenue							
Sales (Acres)			0.00	0.00	0.00	5.05	5.05
End of Period Inventory			5.05	5.05	5.05	0.00	
Total Period Inventory (acres)			5.05	5.05	5.05	5.05	
Total Period Inventory (lots)			1	1	1	1	
Commercial Revenue		\$	-	\$ -	\$ -	\$ 1,430,000	\$ 1,430,000
HDR Revenue (F-8A)							
Sales (Units):			0	0	0	277	277
End of Period Inventory			277	277	277	0	
Total Period Inventory			277	277	277	277	
HDR Revenue		\$	-	\$ -	\$ -	\$ 6,930,000	\$ 6,930,000
Total Revenue		\$	21,328,250	\$ 38,090,264	\$ 38,090,264	\$ 46,536,223	\$ 144,045,000
Expenses							
All Categories							
General & Administrative		\$	(720,225)	\$ (720,225)	\$ (720,225)	\$ (720,225)	\$ (2,880,900)
Marketing/Commissions		\$	(426,565)	\$ (761,805)	\$ (761,805)	\$ (930,724)	\$ (2,880,900)
Backbone Infrastructure			40%	25%	25%	10%	100%
		\$	(7,312,000)	\$ (4,570,000)	\$ (4,570,000)	\$ (1,828,000)	\$ (18,280,000)
LDR Only							
Ad Valorem Taxes		\$	(430,777)	\$ (255,006)	\$ (173,404)	\$ (88,436)	\$ (947,624)
Fiddymment Ranch CFD #5		\$	(1,376,256)	\$ (1,052,836)	\$ (715,928)	\$ (365,123)	\$ (3,510,144)
CFD #2		\$	(546,816)	\$ (426,516)	\$ (295,718)	\$ (153,773)	\$ (1,422,824)
CFD #3		\$	(337,920)	\$ (263,578)	\$ (182,747)	\$ (95,029)	\$ (879,273)
MDR Only							
Ad Valorem Taxes		\$	(254,347)	\$ (255,006)	\$ (173,404)	\$ (88,436)	\$ (771,194)
Fiddymment Ranch CFD #5		\$	(808,094)	\$ (824,256)	\$ (560,972)	\$ (286,828)	\$ (2,480,150)
CFD #2		\$	(384,416)	\$ (399,793)	\$ (277,426)	\$ (144,631)	\$ (1,206,265)
CFD #3		\$	(257,840)	\$ (268,154)	\$ (186,078)	\$ (97,008)	\$ (809,080)
Commercial Only							
Ad Valorem Taxes		\$	(7,221)	\$ (7,365)	\$ (7,512)	\$ (7,663)	\$ (29,760)
Fiddymment Ranch CFD #5		\$	(99,949)	\$ (101,947)	\$ (103,986)	\$ (106,066)	\$ (411,949)
CFD #2		\$	(7,610)	\$ (7,915)	\$ (8,231)	\$ (8,561)	\$ (32,317)
CFD #3		\$	(12,165)	\$ (12,652)	\$ (13,158)	\$ (13,684)	\$ (51,660)
HDR Units (F-8A)							
Ad Valorem Taxes		\$	(34,992)	\$ (35,692)	\$ (36,406)	\$ (37,134)	\$ (144,224)
Fiddymment Ranch CFD #5		\$	(190,853)	\$ (194,670)	\$ (198,563)	\$ (202,535)	\$ (786,621)
CFD #2		\$	(27,974)	\$ (27,974)	\$ (27,974)	\$ (27,974)	\$ (111,897)
CFD #3		\$	(81,438)	\$ (689,375)	\$ (716,950)	\$ (745,628)	\$ (2,233,392)
HDR Units (F-6B)							
Fiddymment Ranch CFD #5		\$	(67,275)	\$ (68,621)	\$ (69,993)	\$ (71,393)	\$ (277,281)
CFD #2		\$	(40,950)	\$ (42,588)	\$ (44,292)	\$ (46,063)	\$ (173,893)
CFD #3		\$	(28,665)	\$ (28,665)	\$ (28,665)	\$ (28,665)	\$ (114,660)
Net Cost of Sale		\$	-	\$ -	\$ -	\$ (3,500,000)	\$ (3,500,000)
Total Expenses		\$	(13,454,347)	\$ (11,014,640)	\$ (9,873,441)	\$ (9,593,580)	\$ (43,936,007)
Net Income		\$	7,873,903	\$ 27,075,624	\$ 28,216,823	\$ 36,942,643	\$ 100,108,993
Internal Rate of Return		15.00%	0.86957	0.75614	0.65752	0.57175	
Discounted Cash Flow		\$	6,846,872	\$ 20,473,062	\$ 18,553,019	\$ 21,122,076	\$ 66,995,029
Net Present Value		\$	66,995,029				
Conclusion of Value by Discounted Cash Flow Analysis (Rd.)							\$ 67,000,000

Based on the previous analyses, the estimates of market value, by ownership, subject to the impact of the Lien of the Special Tax securing the City of Roseville Community Facilities District No. 5 (Fiddymment Ranch) Bonds, as of the date of value, June 4, 2019, are presented in the following table.

Value by Ownership	
Entity	Total Market Value
Individual Homeowners	\$3,675,000
Fiddymment 116 Lots, LLC.	\$28,485,000
John Mourier Construction, Inc.	\$73,410,000
Lennar Homes of California LLC.	\$39,930,000
Taylor Morrison	\$11,592,000
ATC Realty One, LLC.	\$67,000,000
Total	\$224,092,000

The estimates of market value, by ownership, estimated herein specifically assume the appraised properties within the boundaries of the CFD are not marketed concurrently, which would suggest a market under duress.

Final Opinion of Value

As a result of our analysis, it is our opinion the cumulative, or aggregate, value of the appraised properties, in accordance with the assumptions and conditions set forth in the attached document, as of June 4, 2019, is as follows:

Value Conclusions			
Value Premise	Interest Appraised	Date of Value	Value Conclusion
Aggregate Value of Appraised Properties	Fee Simple	June 4, 2019	\$224,092,000
Aggregate Retail Value of 4 Existing Homes based on Assessed Value	Fee Simple	June 4, 2019	\$1,489,700
Total Aggregate Value of Appraised and Assessed Properties in the District	Fee Simple	June 4, 2019	\$225,581,700

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

None

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. It is a hypothetical condition of the Appraisal that certain proceeds from the Bonds are available to finance the completion of certain public improvements. The estimates of market value account for the impact of the Lien of the Special Taxes securing the Bonds.

The estimate of value above represents a “not-less-than” value due to the fact we were requested to provide a market value of the smallest floor plan (by project) on each single-family residential lot improved with a completed home without a complete assessed improvement value assigned.

Any properties within the CFD not subject to the Lien of the Special Tax securing the Bonds (public and quasi-public land use sites), in addition to those lots/parcels with completed improvements with an assigned assessed value for both land and improvements, are not a part of this appraisal. We were requested to include the assigned assessed value for both land and improvements for the existing single-family homes (that have assessed improvement values) to provide the total aggregate value of the appraised and assessed properties.

Please note the aggregate value noted ***is not*** the market value of the appraised properties in bulk. As defined by The Dictionary of Real Estate Appraisal, an aggregate value is the “total of multiple market value conclusions.” For purposes of this report, market value is estimated by ownership.

Exposure Time

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Exposure time is

always presumed to precede the effective date of the appraisal. Based on our review of recent sales transactions for similar properties and our analysis of supply and demand in the local land market, it is our opinion that the probable exposure time for the subject at the concluded market value stated previously is 12 months.

Marketing Time

Marketing time is an estimate of the amount of time it might take to sell a property at the concluded market value immediately following the effective date of value. As we foresee no significant changes in market conditions in the near term, it is our opinion that a reasonable marketing period for the subject in bulk is likely to be the same as the exposure time. Accordingly, we estimate the subject's marketing period at 12 months.

Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have prepared an appraisal of the subject property for the current client within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Kevin Ziegenmeyer, MAI, Eric Segal, MAI, and Kari Tatton have personally inspected the subject.
12. No one provided significant real property appraisal assistance to the person(s) signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report, Kevin Ziegenmeyer, MAI, and Eric Segal, MAI, have completed the continuing education program for Designated Members of the Appraisal Institute.



Kevin Ziegenmeyer, MAI
 Certified General Real Estate Appraiser
 California Certificate # AG013567



Eric Segal, MAI
 Certified General Real Estate Appraiser
 California Certificate # AG026558



Kari Tatton
 Certified General Real Estate Appraiser
 California Certificate # 3002218

Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal

- covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
 8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
 9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
 10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
 11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
 12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
 13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
 14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
 15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
 16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
 17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic

- conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
 19. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
 20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. Integra Realty Resources – Sacramento, Integra Realty Resources, Inc., Integra Strategic Ventures, Inc. and/or any of their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
 21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
 22. Integra Realty Resources – Sacramento is not a building or environmental inspector. Integra Sacramento does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
 23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
 24. It is expressly acknowledged that in any action which may be brought against any of the Integra Parties, arising out of, relating to, or in any way pertaining to this engagement, the

- appraisal reports, and/or any other related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further acknowledged that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with intentional misconduct. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.
25. Integra Realty Resources – Sacramento, an independently owned and operated company, has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.
28. The appraisal is also subject to the following:

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

None

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. It is a hypothetical condition of the Appraisal that certain proceeds from the Bonds are available to finance the completion of certain public improvements. The estimates of market value account for the impact of the Lien of the Special Taxes securing the Bonds.
-

Addendum A

Appraiser Qualifications

Kevin Ziegenmeyer, MAI

Experience

Mr. Ziegenmeyer is a Certified General real estate appraiser and holds the Appraisal Institute's MAI designation. In 1989, Mr. Ziegenmeyer began his career in real estate as a controller for a commercial and residential real estate development corporation. In 1991 he began appraising and continued to be involved in appraisal assignments covering a wide variety of properties, including office, retail, industrial, residential income and subdivisions throughout the Central Valley area of California, Northern Nevada, and within the Sacramento Metropolitan Area. Over the past several years, Mr. Ziegenmeyer has handled many of the firm's master-planned property appraisals and has developed expertise in the valuation of Community Facilities Districts and Assessment Districts. In early 2015, Mr. Ziegenmeyer obtained the Appraisal Institute's MAI designation. Kevin is currently Senior Managing Director of the Integra-San Francisco office and Managing Director of the Integra-Sacramento office.

Licenses

California, Certified General Real Estate Appraiser, AG013567, Expires June 2019

Education

Academic:

Bachelor of Science in Accounting, Azusa Pacific University, California

Appraisal and Real Estate Courses:

Standards of Professional Practice, Parts A, B & C

Basic Valuation Procedures

Real Estate Appraisal Principles

Capitalization Theory and Techniques, Part A

Advanced Income Capitalization

Report Writing and Valuation Analysis

Advanced Applications

IRS Valuation Summit I & II

2008, 2009, 2010 & 2011 Economic Forecast

Business Practices and Ethics

Contemporary Appraisal Issues with Small Business Administration Financing

General Demonstration Appraisal Report Writing Seminar

7-Hour National USPAP Update Course

Valuation of Easements and Other Partial Interests

2009 Summer Conference

Uniform Appraisal Standards for Federal Land Acquisitions

2008 Economic Update

Valuation of Conservation Easements

Subdivision Valuation

2005 Annual Fall Conference

General Comprehensive Exam Module I, II, III & IV

Advanced Income Capitalization

Advanced Sales Comparison & Cost Approaches

2004 Central CA Market Update

Computer-Enhanced Cash Flow Modeling

Forecast 2000, 2001, 2002, 2003 & 2004

Land Valuation Assignments

Integra Realty Resources
San Francisco

San Francisco, CA 95765

T 916-435-3883

F 916-435-4774

irr.com

kziegenmeyer@irr.com - 916-435-3883 x224



Kevin Ziegenmeyer, MAI

Education (Cont'd)

Land Valuation Adjustment Procedures
Highest & Best Use and Market Analysis
Entitlements, Land Subdivision & Valuation
Real Estate Value Cycles
El Dorado Hills Housing Symposium
Federal Land Exchanges
M & S Computer Cost-Estimating, Nonresidential

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San Francisco

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Business, Consumer Services & Housing Agency
BUREAU OF REAL ESTATE APPRAISERS
REAL ESTATE APPRAISER LICENSE

Kevin K. Ziegenmeyer

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Certified General Real Estate Appraiser”

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: AG 013567

Effective Date: June 5, 2017
Date Expires: June 4, 2019


Jim Martin, Bureau Chief, BREAA

3034684

Eric Segal, MAI

Experience

Mr. Segal is a Certified General real estate appraiser and holds the Appraisal Institute's MAI designation. In 1998, Mr. Segal began his career in real estate as a research analyst/appraiser trainee for Richard Seevers and Associates. By 1999, he began writing narrative appraisal reports covering a variety of commercial properties, with an emphasis on residential master planned communities and subdivisions. Today, Mr. Segal is a partner in the firm and is involved in appraisal assignments covering a wide variety of properties including office, retail, industrial, multifamily housing, master planned communities, and specializes in the appraisal of Mello-Roos Community Facilities Districts and Assessment Districts for land-secured municipal financings, as well as multifamily developments under the U.S. Department of Housing and Urban Development's Multifamily Accelerated Processing (MAP) Guide. He has developed the experience and background necessary to deal with complex assignments covering an array of property types, with a particular focus on urban redevelopment in the cities of San Francisco, Monterey, Alameda and San Mateo. He has developed the experience and background necessary to deal with complex assignments covering an array of property types. Eric is currently Managing Director of the Integra-San Francisco office and Senior Managing Director of the Integra-Sacramento office.

Professional Activities & Affiliations

Appraisal Institute, Member (MAI) Appraisal Institute, January 2016

Licenses

California, Certified General, AG026558, Expires February 2021

Nevada, Certified General, A.0207666-CG, Expires January 2019

Education

Academic:

Bachelor of Science in Business Administration (Concentrations in Finance and Real Estate & Land Use Affairs), California State University, Sacramento

Appraisal and Real Estate Courses:

Uniform Standards of Professional Appraisal Practice

Appraisal Principles

Basic Income Capitalization

Highest & Best Use and Market Analysis

Advanced Income Capitalization

Report Writing and Valuation Analysis

Self-Storage Economics and Appraisal Seminar

Appraisal Litigation Practice and Courtroom Management

Hotel Valuations: New Techniques for today's Uncertain Times

Computer Enhanced Cash Flow Modeling

Advanced Sales Comparison & Cost Approaches

Advanced Applications

Supervisor-Trainee Course for California

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Business, Consumer Services & Housing Agency
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REAL ESTATE APPRAISER LICENSE

Eric A. Segal

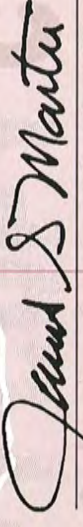
has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Certified General Real Estate Appraiser”

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: AG 026558

Effective Date: February 19, 2019
Date Expires: February 18, 2021


Jim Martin, Bureau Chief, BREA

3044479

Kari Tatton

Experience

Ms. Tatton is a Certified General real estate appraiser. After completing her bachelor's degree at California State University, Sacramento, Ms. Tatton began her career in real estate in March 2011, and has been writing narrative appraisal reports for a variety of commercial properties including office, retail, industrial, multifamily housing, land and special-purpose properties including self-storage facilities, religious facilities, schools and auto dealerships. She specializes in the appraisal of residential master planned communities and subdivisions, as well as Mello-Roos and Assessment Districts for land-secured municipal financings.

Licenses

California, Certified General Real Estate, 3002218, Expires June 2020

Education

Academic:

Bachelor of Arts in Interior Design (Concentration in Interior Architecture)
California State University, Sacramento

Appraisal and Real Estate Courses:

Basic Appraisal Principles
Basic Appraisal Procedures
Site Valuation & Cost Approach
General Market Analysis & Highest and Best Use
Sales Comparison Approach
Income Capitalization Approach Part I
Income Capitalization Approach Part II
General Appraiser Report Writing and Case Studies
Appraisal of Fast Food Facilities
Appraising Small Apartment Properties
Appraisal of Land Subject to Ground Leases
Appraising Automobile Dealerships

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Business, Consumer Services & Housing Agency
BUREAU OF REAL ESTATE APPRAISERS
REAL ESTATE APPRAISER LICENSE

Kari M. Tatton

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Certified General Real Estate Appraiser”

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: 3002218

Effective Date: June 2, 2018
Date Expires: June 1, 2020


Jim Martin, Bureau Chief, BREA

3040303

About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

Local Expertise...Nationally!

irr.com



Addendum B

Definitions

Definitions

The source of the following definitions is the Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015), unless otherwise noted.

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms.

Effective Date

1. The date on which the appraisal or review opinion applies.
2. In a lease document, the date upon which the lease goes into effect.

Entitlement

In the context of ownership, use, or development of real estate, governmental approval for annexation, zoning, utility extensions, number of lots, total floor area, construction permits, and occupancy or use permits.

Entrepreneurial Profit

1. A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of

development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses.

2. In economics, the actual return on successful management practices, often identified with coordination, the fourth factor of production following land, labor, and capital; also called entrepreneurial return or entrepreneurial reward.

Exposure Time

1. The time a property remains on the market.
2. The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Floor Area Ratio (FAR)

The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.

Highest and Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (ISV)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

Investment Value

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.
2. The value of an asset to the owner or a prospective owner for individual investment or operational objectives.

Lease

A contract in which rights to use and occupy land, space, or structures are transferred by the owner to another for a specified period of time in return for a specified rent.

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

Liquidation Value

The most probable price that a specified interest in real property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms.

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal.

Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- buyer and seller are typically motivated;
- both parties are well informed or well advised, and acting in what they consider their own best interests;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[g]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

Addendum C

Value by Assessor's Parcel

APN	Lot No.	Address	RMA Planning Area	Subdivision	Owner Name (As of 7-1-18)	Inspection Status	Appraised Value	Assessed Value	RMA Units Market
403-010-001-000	1	3088 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-002-000	2	3096 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-003-000	3	3104 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-004-000	4	3112 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-005-000	5	3120 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-006-000	6	3128 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-007-000	7	3136 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-008-000	8	3144 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-009-000	9	3169 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-010-000	10	3161 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Model		\$301,800	1
403-010-011-000	11	3153 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Model		\$366,800	1
403-010-012-000	12	3145 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Model		\$389,800	1
403-010-013-000	13	3137 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Model		\$431,300	1
403-010-014-000	14	3129 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-015-000	15	3121 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-016-000	16	3113 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-017-000	17	3105 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-018-000	18	3097 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-019-000	19	3089 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-020-000	20	3081 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-021-000	21	3073 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-010-022-000	22	3065 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Under Construction	\$155,000		1
403-010-023-000	23	3057 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Under Construction	\$155,000		1
403-010-024-000	24	3049 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Under Construction	\$155,000		1
403-010-025-000	25	3041 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Under Construction	\$155,000		1
403-010-026-000	26	3033 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Under Construction	\$155,000		1
403-010-027-000	27	3025 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Under Construction	\$155,000		1
403-010-028-000	28	3017 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Under Construction	\$155,000		1
403-010-029-000	29	3009 ADELAIDE LP	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Under Construction	\$155,000		1
403-020-001-000	30	1009 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Under Construction	\$155,000		1
403-020-002-000	31	1017 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Under Construction	\$155,000		1
403-020-003-000	32	1041 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-004-000	33	1049 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-005-000	34	1057 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed Home	\$525,000		1
403-020-006-000	35	1065 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-007-000	36	1073 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-008-000	37	1081 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-009-000	38	1089 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-010-000	39	1097 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-011-000	40	5001 CHICO DR	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-012-000	41	5009 CHICO DR	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed Home	\$525,000		1
403-020-013-000	42	5017 CHICO DR	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-014-000	43	5025 CHICO DR	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-015-000	44	5033 CHICO DR	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-016-000	45	5041 CHICO DR	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-017-000	46	5049 CHICO DR	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-018-000	47	5056 CHICO DR	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-020-019-000	48	2080 SMOKEHOUSE WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-020-000	49	2072 SMOKEHOUSE WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-021-000	50	2064 SMOKEHOUSE WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-022-000	51	2056 SMOKEHOUSE WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-023-000	52	2048 SMOKEHOUSE WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-024-000	53	2040 SMOKEHOUSE WY	F-13B1	Woodbridge	BERLIN DAVID MORRIS	Completed (Sold) Home	\$525,000		1
403-020-025-000	54	2032 SMOKEHOUSE WY	F-13B1	Woodbridge	TRAN THAI HOANG	Completed (Sold) Home	\$525,000		1
403-020-026-000	55	2024 SMOKEHOUSE WY	F-13B1	Woodbridge	KACALEK AARON M	Completed (Sold) Home	\$525,000		1
403-020-027-000	56	6000 DANWOOD DR	F-13B1	Woodbridge	PINN MICHAEL JOHN ET AL	Completed (Sold) Home	\$525,000		1
403-020-028-000	57	2009 SMOKEHOUSE WY	F-13B1	Woodbridge	MITCHELL SPENCER	Completed (Sold) Home	\$525,000		1
403-020-029-000	58	2017 SMOKEHOUSE WY	F-13B1	Woodbridge	TANNOUS NANCY	Completed (Sold) Home	\$525,000		1
403-020-030-000	59	2025 SMOKEHOUSE WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-031-000	60	2033 SMOKEHOUSE WY	F-13B1	Woodbridge	KUNG-GUNION JORDAN	Completed (Sold) Home	\$525,000		1
403-020-032-000	61	2041 SMOKEHOUSE WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-033-000	62	2049 SMOKEHOUSE WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-034-000	63	2057 SMOKEHOUSE WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-035-000	64	2065 SMOKEHOUSE WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-036-000	65	2073 SMOKEHOUSE WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-037-000	66	2081 SMOKEHOUSE WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-038-000	67	1072 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-039-000	68	1064 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed Home	\$525,000		1
403-020-040-000	69	1056 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-041-000	70	1048 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-042-000	71	1040 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-043-000	72	1032 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Completed (Sold) Home	\$525,000		1
403-020-044-000	73	1024 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Under Construction	\$155,000		1
403-020-045-000	74	1016 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Under Construction	\$155,000		1
403-020-046-000	75	1008 FENCE POST WY	F-13B1	Woodbridge	FIDDYMENT 116 LOTS LLC	Under Construction	\$155,000		1
403-030-001	1	5089 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-002	2	5097 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-003	3	5105 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-004	4	5113 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-005	5	5121 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-006	6	5129 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-007	7	5137 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-008	8	5145 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-009	9	5153 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-010	10	5161 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-011	11	5169 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-012	12	401 DANWOOD CT	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-013	13	417 DANWOOD CT	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-014	14	416 DANWOOD CT	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-015	15	408 DANWOOD CT	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-016	16	400 DANWOOD CT	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-017	17	6064 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-018	18	6056 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1

APN	Lot No.	Address	RMA Planning Area	Subdivision	Owner Name (As of 7-1-18)	Inspection Status	Appraised Value	Assessed Value	RMA Units Market
403-030-019	19	6048 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-020	20	6040 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-021	21	6032 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-022	22	6024 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-023	23	6016 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-024	24	6008 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-025	25	6009 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-026	26	6017 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-027	27	6025 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-028	28	6033 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-029	29	6041 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-030	30	6057 DANWOOD DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-031	31	701 SALTERS CT	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-032	32	709 SALTERS CT	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-033	33	717 SALTERS CT	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-034	34	725 SALTERS CT	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-035	35	724 SALTERS CT	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-036	36	716 SALTERS CT	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-037	37	708 SALTERS CT	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-038	38	700 SALTERS CT	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-039	39	5080 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-040	40	5072 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
403-030-041	41	5064 CHICO DR	F-13B2	Woodbridge	FIDDYMENT 116 LOTS LLC	Finished Lot	\$155,000		1
492-310-001-000	1	124 FAIRHAVEN CT	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-002-000	2	116 FAIRHAVEN CT	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-003-000	3	108 FAIRHAVEN CT	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-004-000	4	100 FAIRHAVEN CT	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-005-000	5	2032 FAIRHAVEN ST	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-006-000	6	2024 FAIRHAVEN ST	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-007-000	7	2016 FAIRHAVEN ST	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-008-000	8	2008 FAIRHAVEN ST	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-009-000	9	2000 FAIRHAVEN ST	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-010-000	10	6144 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-011-000	11	6136 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-012-000	12	6128 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-013-000	13	6120 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-014-000	14	6112 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-015-000	15	6104 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-016-000	16	6096 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-017-000	17	6088 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-018-000	18	6080 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-019-000	19	6072 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-020-000	20	6064 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-021-000	21	6056 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-022-000	22	6048 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-023-000	23	6040 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-024-000	24	6032 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-025-000	25	6024 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-026-000	26	6016 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-027-000	27	6008 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-028-000	28	6000 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-029-000	29	7001 NOBLEBORO WY	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-030-000	30	7009 NOBLEBORO WY	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-031-000	31	7017 NOBLEBORO WY	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-032-000	32	7025 NOBLEBORO WY	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-033-000	33	7033 NOBLEBORO WY	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-034-000	34	7041 NOBLEBORO WY	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-035-000	35	7049 NOBLEBORO WY	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-036-000	36	7057 NOBLEBORO WY	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-037-000	37	4341 CRAWFORD PW	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-038-000	38	4333 CRAWFORD PW	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$465,000		1
492-310-039-000	39	4325 CRAWFORD PW	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$465,000		1
492-310-040-000	40	4317 CRAWFORD PW	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$465,000		1
492-310-041-000	41	4309 CRAWFORD PW	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$465,000		1
492-310-042-000	42	4301 CRAWFORD PW	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$465,000		1
492-310-043-000	43	4293 CRAWFORD PW	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$465,000		1
492-310-044-000	44	4285 CRAWFORD PW	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$465,000		1
492-310-045-000	45	4277 CRAWFORD PW	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$465,000		1
492-310-046-000	46	4269 CRAWFORD PW	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$465,000		1
492-310-047-000	47	4261 CRAWFORD PW	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$465,000		1
492-310-048-000	48	117 FAIRHAVEN CT	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-049-000	49	109 FAIRHAVEN CT	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-050-000	50	101 FAIRHAVEN CT	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-051-000	51	5081 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$465,000		1
492-310-052-000	52	5073 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$465,000		1
492-310-053-000	53	5057 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$465,000		1
492-310-054-000	54	5057 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$465,000		1
492-310-055-000	55	5049 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$465,000		1
492-310-056-000	56	5041 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$465,000		1
492-310-057-000	57	5033 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-058-000	58	5025 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-059-000	59	5017 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-060-000	60	5009 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-061-000	61	5001 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-062-000	62	5000 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-063-000	63	5008 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-064-000	64	5016 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-065-000	65	5024 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-066-000	66	5032 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-067-000	67	5040 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-068-000	68	5048 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-069-000	69	5056 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-070-000	70	5064 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1

APN	Lot No.	Address	RMA Planning Area	Subdivision	Owner Name (As of 7-1-18)	Inspection Status	Appraised Value	Assessed Value	RMA Units Market
492-310-071-000	71	5072 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-072-000	72	5080 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-073-000	73	5088 FITZWILLIAM ST	F-8C	Northwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-074-000	74	2025 FAIRHAVEN ST	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-075-000	75	2017 FAIRHAVEN ST	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-076-000	76	2001 FAIRHAVEN ST	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-077-000	77	6113 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-078-000	78	6105 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-079-000	79	6097 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$154,000		1
492-310-080-000	80	6089 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-081-000	81	6081 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-082-000	82	6073 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$154,000		1
492-310-083-000	83	6065 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-084-000	84	6057 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-085-000	85	6049 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$470,000		1
492-310-086-000	86	6041 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-087-000	87	6033 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-310-088-000	88	6025 BELFAST WY	F-8C	Summerwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$470,000		1
492-320-001-000	1	9000 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-002-000	2	9008 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-003-000	3	9016 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-004-000	4	9024 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-005-000	5	9032 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-006-000	6	9040 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-007-000	7	9048 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-008-000	8	9056 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-009-000	9	9064 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-010-000	10	9072 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-011-000	11	9080 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-012-000	12	9088 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-013-000	13	9096 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-014-000	14	3024 PRUETT DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-015-000	15	3016 PRUETT DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-016-000	16	3008 PRUETT DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-017-000	17	3000 PRUETT DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-018-000	18	2424 CUMBERLAND DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-019-000	19	9112 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-020-000	20	9104 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-021-000	21	9081 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-022-000	22	9065 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-023-000	23	9057 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-024-000	24	9049 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-025-000	25	9041 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-026-000	26	9033 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-027-000	27	9025 PLYMPTON LP	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-028-000	28	2336 CUMBERLAND DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-029-000	29	2344 CUMBERLAND DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-030-000	30	2352 CUMBERLAND DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-031-000	31	2360 CUMBERLAND DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-032-000	32	2368 CUMBERLAND DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-033-000	33	2376 CUMBERLAND DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$177,000		1
492-320-034-000	34	2384 CUMBERLAND DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-035-000	35	2392 CUMBERLAND DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-036-000	36	2400 CUMBERLAND DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-037-000	37	2408 CUMBERLAND DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-320-038-000	38	2416 CUMBERLAND DR	F-8D	Summerwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$177,000		1
492-330-001-000	1	2001 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-002-000	2	2009 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-003-000	3	2017 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-004-000	4	2025 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-005-000	5	2033 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-006-000	6	2041 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-007-000	7	2049 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-008-000	8	2065 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-009-000	9	2073 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-010-000	10	2081 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-011-000	11	2089 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-012-000	12	2097 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-013-000	13	2105 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-014-000	14	2113 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-015-000	15	2121 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-016-000	16	2129 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-017-000	17	2137 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-018-000	18	2145 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-019-000	19	2153 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$555,000		1
492-330-020-000	20	2169 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-021-000	21	2177 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-022-000	22	2185 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-023-000	23	2193 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-024-000	24	2201 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-025-000	25	2209 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-026-000	26	2144 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-027-000	27	2136 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-028-000	28	2128 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-029-000	29	2102 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-030-000	30	2112 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-031-000	31	2104 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-032-000	32	1988 WHALEY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-033-000	33	3105 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-034-000	34	3113 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$555,000		1
492-330-035-000	35	3121 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-036-000	36	3129 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-037-000	37	3137 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1

APN	Lot No.	Address	RMA Planning Area	Subdivision	Owner Name (As of 7-1-18)	Inspection Status	Appraised Value	Assessed Value	RMA Units Market
492-330-038-000	38	3145 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$555,000		1
492-330-039-000	39	3153 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-040-000	40	3152 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-041-000	41	3144 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-042-000	42	3136 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-043-000	43	3128 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-044-000	44	3120 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-045-000	45	3112 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-046-000	46	3104 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$555,000		1
492-330-047-000	47	3096 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-048-000	48	3088 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-049-000	49	3080 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-050-000	50	3072 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-051-000	51	3064 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-052-000	52	3056 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-053-000	53	3048 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-054-000	54	3040 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-055-000	55	3032 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-056-000	56	3024 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-057-000	57	3016 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-058-000	58	3008 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-059-000	59	3000 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-060-000	60	3001 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-061-000	61	3009 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-062-000	62	3017 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-063-000	63	3025 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-064-000	64	3033 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-065-000	65	3041 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-066-000	66	3049 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-067-000	67	3057 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-068-000	68	3065 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-069-000	69	3073 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-070-000	70	3081 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-071-000	71	3089 JAFFREY ST	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$165,000		1
492-330-072-000	72	2088 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-073-000	73	2080 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-074-000	74	2072 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-075-000	75	2064 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-076-000	76	2056 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-077-000	77	2048 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-078-000	78	2040 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-079-000	79	2032 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-080-000	80	2024 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-081-000	81	2016 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-082-000	82	2008 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-330-083-000	83	8048 CUMBERLAND LP	F-9C	Wildwood	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$165,000		1
492-340-001-000	1	8024 SCHELLOUS DR	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$207,000		1
492-340-002-000	2	8016 SCHELLOUS DR	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$207,000		1
492-340-003-000	3	2320 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Model	\$662,000		1
492-340-004-000	4	2312 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Model	\$662,000		1
492-340-005-000	5	2304 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Model	\$662,000		1
492-340-006-000	6	2296 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Model	\$662,000		1
492-340-007-000	7	2288 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$207,000		1
492-340-008-000	8	2280 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$207,000		1
492-340-009-000	9	509 CARVER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$207,000		1
492-340-010-000	10	517 CARVER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$207,000		1
492-340-011-000	11	525 CARVER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$207,000		1
492-340-012-000	12	533 CARVER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$207,000		1
492-340-013-000	13	541 CARVER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$207,000		1
492-340-014-000	14	548 CARVER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Finished Lot	\$207,000		1
492-340-015-000	15	540 CARVER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$207,000		1
492-340-016-000	16	532 CARVER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$207,000		1
492-340-017-000	17	524 CARVER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$207,000		1
492-340-018-000	18	516 CARVER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$207,000		1
492-340-019-000	19	508 CARVER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Under Construction	\$207,000		1
492-340-020-000	20	2272 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-021-000	21	2264 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-022-000	22	2256 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-023-000	23	409 GLOUSTER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-024-000	24	417 GLOUSTER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-025-000	25	425 GLOUSTER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-026-000	26	433 GLOUSTER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$662,000		1
492-340-027-000	27	432 GLOUSTER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-028-000	28	424 GLOUSTER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-029-000	29	416 GLOUSTER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-030-000	30	408 GLOUSTER CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed Home	\$662,000		1
492-340-031-000	31	2248 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-032-000	32	2240 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-033-000	33	309 HULL CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-034-000	34	317 HULL CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-035-000	35	316 HULL CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-036-000	36	308 HULL CT	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-037-000	37	2232 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-038-000	38	2224 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-039-000	39	2216 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-340-040-000	40	2217 CUMBERLAND LP	F-9D	Valleybrook	JOHN MOURIER CONSTRUCTION INC	Completed (Sold) Home	\$662,000		1
492-350-001	1	5001 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-002	2	5009 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-003	3	5017 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-004	4	5025 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-005	5	5033 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-006	6	5041 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-007	7	5049 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1

APN	Lot No.	Address	RMA Planning Area	Subdivision	Owner Name (As of 7-1-18)	Inspection Status	Appraised Value	Assessed Value	RMA Units Market
492-350-008	8	5057 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-009	9	609 SETUCKET CT	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-010	10	617 SETUCKET CT	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-011	11	624 SETUCKET CT	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-012	12	616 SETUCKET CT	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-013	13	608 SETUCKET CT	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-014	14	600 SETUCKET CT	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-015	15	4024 SETUCKET CT	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-016	16	4016 SETUCKET CT	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-017	17	4008 SETUCKET CT	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-018	18	4000 SETUCKET CT	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-019	19	5072 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-020	20	5064 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-021	21	5056 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-022	22	5016 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-023	23	5008 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-024	24	5000 FORESTDALE WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-025	25	3144 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-026	26	3136 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-027	27	3128 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-028	28	3185 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-029	29	3177 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-030	30	3169 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-031	31	3161 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-032	32	3153 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-033	33	3145 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-034	34	3137 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-035	35	3129 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-036	36	3121 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-037	37	3113 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-038	38	3015 SOUTHLINGTON WAY	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-039	39	2112 SOMERS ST	F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-040	40		F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-041	41		F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-042	42		F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-043	43		F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-044	44		F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-045	45		F-9B	Monterosa	ATC REALTY ONE LLC	Completed (Sold) Home	\$518,000		1
492-350-046	46		F-9B	Monterosa	ATC REALTY ONE LLC	Completed (Sold) Home	\$518,000		1
492-350-047	47		F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-048	48		F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-049	49		F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-050	50		F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-051	51		F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-052	52		F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-053	53		F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-054	54		F-9B	Monterosa	ATC REALTY ONE LLC	Under Construction	\$160,000		1
492-350-055	55		F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-056	56		F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-057	57		F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-058	58		F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-059	59		F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-060	60		F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-061	61		F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-062	62		F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-063	63		F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-064	64		F-9B	Monterosa	ATC REALTY ONE LLC	Finished Lot	\$160,000		1
492-350-065	65		F-9B	Monterosa	ATC REALTY ONE LLC	Corvara Model	\$510,000		1
492-350-066	66		F-9B	Monterosa	ATC REALTY ONE LLC	Corvara Model	\$510,000		1
492-350-067	67		F-9B	Monterosa	ATC REALTY ONE LLC	Corvara Model	\$510,000		1
492-350-068	68		F-9B	Monterosa	ATC REALTY ONE LLC	Model	\$518,000		1
492-350-069	69		F-9B	Monterosa	ATC REALTY ONE LLC	Model	\$518,000		1
492-350-070	70		F-9B	Monterosa	ATC REALTY ONE LLC	Model	\$518,000		1
492-360-001	1		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-002	2		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-003	3		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-004	4		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-005	5		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-006	6		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-007	7		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-008	8		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-009	9		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-010	10		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-011	11		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-012	12		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-013	13		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-014	14		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-015	15		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-016	16		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-017	17		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-018	18		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-019	19		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-020	20		F-7B	Corvara	ATC REALTY ONE LLC	Completed Home	\$510,000		1
492-360-021	21		F-7B	Corvara	ATC REALTY ONE LLC	Completed (Sold) Home	\$510,000		1
492-360-022	22		F-7B	Corvara	ATC REALTY ONE LLC	Completed (Sold) Home	\$510,000		1
492-360-023	23		F-7B	Corvara	ATC REALTY ONE LLC	Completed (Sold) Home	\$510,000		1
492-360-024	24		F-7B	Corvara	ATC REALTY ONE LLC	Completed (Sold) Home	\$510,000		1
492-360-025	25		F-7B	Corvara	ATC REALTY ONE LLC	Completed Home	\$510,000		1
492-360-026	26		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-027	27		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-028	28		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-029	29		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-030	30		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1

APN	Lot No.	Address	RMA Planning Area	Subdivision	Owner Name (As of 7-1-18)	Inspection Status	Appraised Value	Assessed Value	RMA Units Market
492-360-031	31		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-032	32		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-033	33		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-034	34		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-035	35		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-036	36		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-037	37		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-038	38		F-7B	Corvara	ATC REALTY ONE LLC	Completed (Sold) Home	\$510,000		1
492-360-039	39		F-7B	Corvara	ATC REALTY ONE LLC		Under Construction	\$180,000	
492-360-040	40		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-041	41		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-042	42		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-043	43		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-044	44		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-045	45		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-046	46		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-047	47		F-7B	Corvara	ATC REALTY ONE LLC	Under Construction	\$180,000		1
492-360-048	48		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-049	49		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-050	50		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-051	51		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-052	52		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-053	53		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-054	54		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-055	55		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-056	56		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-057	57		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-058	58		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-059	59		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-060	60		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-061	61		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-062	62		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-063	63		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-360-064	64		F-7B	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-001	1		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-002	2		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-003	3		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-004	4		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-005	5		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-006	6		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-007	7		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-008	8		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-009	9		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-010	10		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-011	11		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-012	12		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-013	13		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-014	14		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-015	15		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-016	16		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-017	17		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-018	18		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-019	19		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-020	20		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-021	21		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-022	22		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-023	23		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-024	24		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-025	25		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-026	26		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-027	27		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-028	28		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-029	29		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-030	30		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-031	31		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-032	32		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-033	33		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-034	34		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-035	35		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-036	36		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-037	37		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-038	38		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-039	39		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-040	40		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-041	41		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-042	42		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-043	43		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-044	44		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-045	45		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-046	46		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-047	47		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-048	48		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-049	49		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-050	50		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-051	51		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-052	52		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-053	53		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-054	54		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-055	55		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-056	56		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-057	57		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-058	58		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-059	59		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1

APN	Lot No.	Address	RMA Planning Area	Subdivision	Owner Name (As of 7-1-18)	Inspection Status	Appraised Value	Assessed Value	RMA Units Market
492-370-060	60		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-061	61		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-062	62		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-063	63		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-064	64		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-065	65		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-066	66		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-370-067	67		F-7A	Corvara	ATC REALTY ONE LLC	Finished Lot	\$180,000		1
492-012-083-000	--		F-13A1	--	ATC REALTY ONE LLC	45 unimproved lots	\$3,780,000		45
492-012-081-000	--		F-13A2	--	ATC REALTY ONE LLC	48 unimproved lots	\$4,032,000		48
492-012-082-000	--		F-13B3	--	ATC REALTY ONE LLC	45 unimproved lots	\$3,780,000		45
							\$157,092,000	\$1,489,700	704

Addendum D

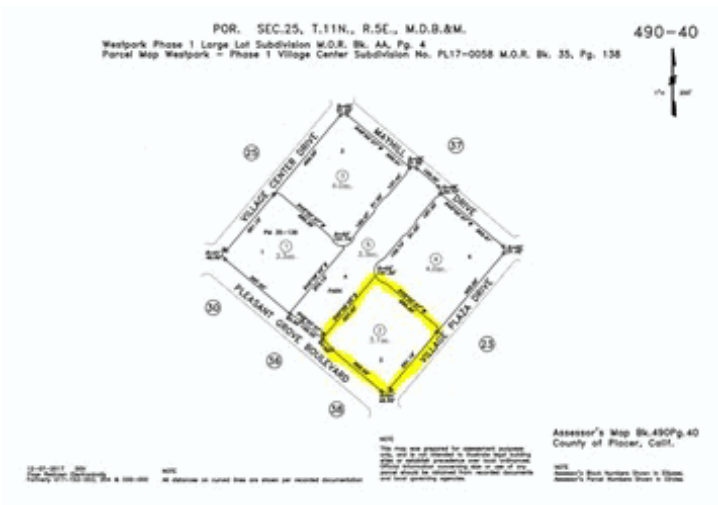
Comparable Data

Land Sales - Commercial Land



Location & Property Identification

Property Name:	Vacant Commercial Land
Sub-Property Type:	Commercial, Retail
Address:	Village Plaza and Pleasant Grove
City/State/Zip:	Roseville, CA 95678
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	2187257



Sale Information

Sale Price:	\$800,000
Effective Sale Price:	\$800,000
Sale Date:	08/21/2018
Recording Date:	08/21/2018
Sale Status:	Closed
\$/Acre(Gross):	\$258,900
\$/Land SF(Gross):	\$5.94
Grantor/Seller:	VC Roseville, LLC
Grantee/Buyer:	Creekview, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	2018-0060630

Comments

This comparable represents the sale of vacant commercial land within the city of Roseville. It was originally listed for \$995,000 and was on the market for approximately 7 months. Reportedly, the buyer intends to construct approximately 25,000 square feet of retail including restaurant space and second story office. Additionally, the buyer plans to occupy a portion of the property. The site is adjacent to a proposed assisted living & memory care community.

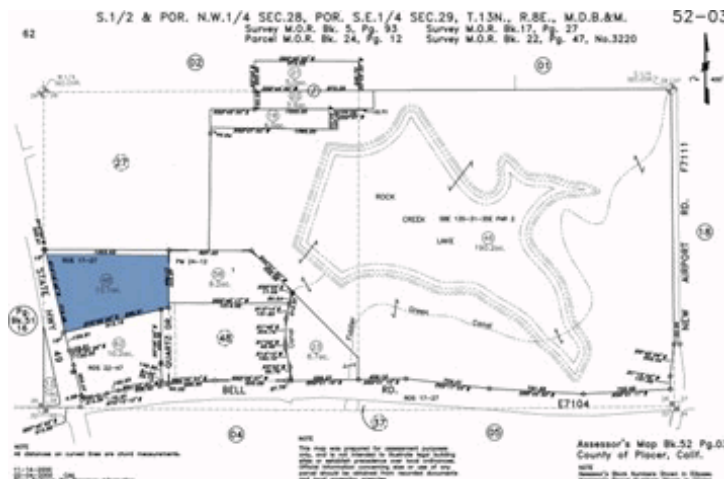
Improvement and Site Data

MSA:	Sacramento--Roseville--Arden Arcade, CA
Legal/Tax/Parcel ID:	490-400-002
Acres(Gross):	3.09
Land-SF(Gross):	134,600
Zoning Code:	CC-WA-WR
Zoning Desc.:	Community Commercial/S. Area/West Roseville
Source of Land Info.:	Public Records



Location & Property Identification

Property Name: 3300 Grass Valley Hwy.
 Sub-Property Type: Commercial
 Address: 3300 Grass Valley Hwy.
 City/State/Zip: Auburn, CA 95602
 County: Placer
 Market Orientation: Suburban
 IRR Event ID: 2123624



Sale Information

Sale Price: \$1,924,000
 Effective Sale Price: \$1,924,000
 Sale Date: 12/30/2016
 Sale Status: Closed
 \$/Acre(Gross): \$146,870
 \$/Land SF(Gross): \$3.37
 \$/Acre(Usable): \$198,966
 \$/Land SF(Usable): \$4.57
 Grantor/Seller: Auburn Broadcasting Corp
 Grantee/Buyer: Auburn Pacific Property
 Assemblage: No
 Portfolio Sale: No
 Assets Sold: Real estate only
 Property Rights: Fee Simple
 % of Interest Conveyed: 100.00
 Financing: Cash to seller
 Document Type: Deed
 Recording No.: 117418

Improvements Cond.: Average
 No. of Buildings/Stories: 8/1
 Multi-Tenant/Condo.: Yes/No
 Shape: Irregular
 Topography: Level
 Zoning Code: CPD/Dc/FH/C1
 Zoning Desc.: Commercial Planned Development
 Easements: Yes
 Easements Desc.: Rock Creek and
 Bldg. Phy. Info. Source: Public Records
 Source of Land Info.: Public Records

Comments

This comparable represents the sale of a commercially zoned parcel located just north of the Auburn city limits. The property is proposed for an eight building (on eight separate parcels) commercial project totaling 90,105± square feet. A tributary of Rock Creek and corresponding wetland bisects the project site and two of the eight parcels will be dedicated to open space (3.43± acres). The proposed project is anticipated to be developed in two phases. Due to site constraints and location of Highway 49 to the west, the western portion of the site presents a challenging section of land for development.

Improvement and Site Data

Legal/Tax/Parcel ID: 052-030-048
 Acres(Usable/Gross): 9.67/13.10
 Land-SF(Usable/Gross): 421,225/570,636
 Usable/Gross Ratio: 0.74
 Property Class: C
 Construction Quality: Average

Location & Property Identification

Property Name:	Parcel F-81, Fiddymment Ranch
Sub-Property Type:	Commercial, Retail
Address:	Fiddymment Road and Angus Road
City/State/Zip:	Roseville, CA 95747
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	1448385



Sale Information

Sale Price:	\$550,000
Effective Sale Price:	\$550,000
Sale Date:	08/10/2016
Recording Date:	08/12/2016
Listing Price:	\$643,000
Sale Status:	Closed
\$/Acre(Gross):	\$458,333
\$/Land SF(Gross):	\$10.52
Grantor/Seller:	ATC Realty One, LLC
Grantee/Buyer:	Dhillon & Son Enterprises, Inc.
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	66757

Zoning Code:	CC
Zoning Desc.:	Community Commercial
Source of Land Info.:	Public Records

Comments

This comparable represents the sale of Parcel F-81 in Fiddymment Ranch, at the corner of Fiddymment Road and Angus Road. Fiddymment Road is a well-traveled thoroughfare in a highly populated residential area. The site is zoned CC (Community Commercial). The asking price at the time of sale was \$643,000. The buyer intends to construct a gas station on the site.

Improvement and Site Data

Legal/Tax/Parcel ID:	492-010-031
Acres(Gross):	1.20
Land-SF(Gross):	52,272



Location & Property Identification

Property Name:	5800 W Oaks
Sub-Property Type:	Commercial
Address:	5800 W. Oaks Blvd.
City/State/Zip:	Rocklin, CA 95765
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	1865919



Sale Information

Sale Price:	\$1,600,000
Effective Sale Price:	\$1,600,000
Sale Date:	06/10/2016
Sale Status:	Closed
\$/Acre(Gross):	\$285,714
\$/Land SF(Gross):	\$6.56
\$/Acre(Usable):	\$285,714
\$/Land SF(Usable):	\$6.56
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	2016-0044966

Acres(Usable/Gross):	5.60/5.60
Land-SF(Usable/Gross):	243,936/243,936
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Zoning Code:	PD-BP/C/LI
Zoning Desc.:	Planned Development, Bus. Professional, Commercial
Source of Land Info.:	Public Records

Comments

This comparable is proposed for the development of a 5 building self-storage facility including a two story office/care taker unit (total of 119,850 square feet).

Occupancy

Occupancy at Time of Sale:	0.00%

Improvement and Site Data

MSA:	Sacramento--Arden-Arcade--Roseville, CA Metropolitan Statistical Area
Legal/Tax/Parcel ID:	017-081-062



Location & Property Identification

Property Name:	2041 Wildcat Blvd.
Sub-Property Type:	Commercial, Retail
Address:	2041 Wildcat Blvd.
City/State/Zip:	Rocklin, CA 95765
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	2120372



Sale Information

Sale Price:	\$700,000
Effective Sale Price:	\$700,000
Sale Date:	04/28/2016
Recording Date:	05/03/2016
Sale Status:	Closed
\$/Acre(Gross):	\$538,462
\$/Land SF(Gross):	\$12.36
Grantor/Seller:	Stanford Ranch I, LLC
Grantee/Buyer:	Livemas Enterprises, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	2016-0033158

Comments

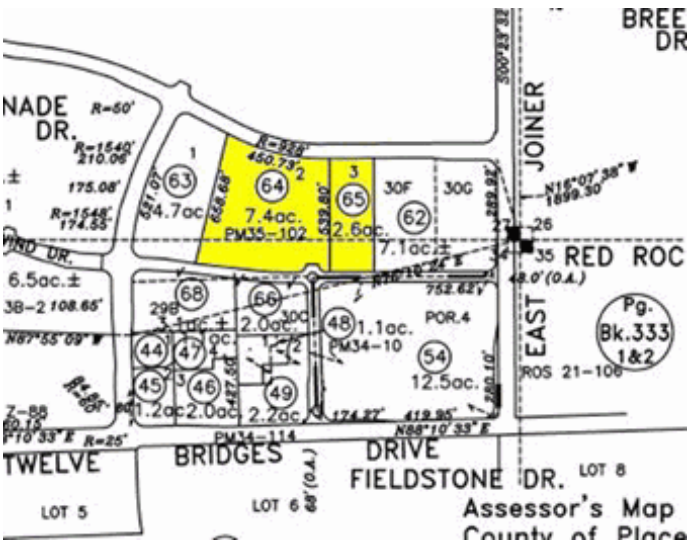
This property is located at the northeast corner of W. Stanford Ranch Road and Wildcat Boulevard. Upon the close of escrow, the buyer constructed a Taco Bell drive-thru on this site. Adjacent land uses includes single-family residential development to the east and south, vacant land and office development to the west, and a fire station and preschool to the north. This property is proximate to substantial residential development (existing and proposed).

Improvement and Site Data

Legal/Tax/Parcel ID:	373-030-059
Acres(Gross):	1.30
Land-SF(Gross):	56,628
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Zoning Code:	PD-BP/C
Zoning Desc.:	Planned Dev - Business Professional/Commercial
Flood Zone Designation:	X
Source of Land Info.:	Public Records

Location & Property Identification

Property Name:	South side of Bella Breeze Dr, west of Joiner Pkwy
Sub-Property Type:	Commercial
Address:	South side of Bella Breeze Dr, west of Joiner Pkwy
City/State/Zip:	Lincoln, CA 95648
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	1464260



Sale Information

Sale Price:	\$3,813,500
Effective Sale Price:	\$3,813,500
Sale Date:	01/15/2016
Sale Status:	Closed
\$/Acre(Gross):	\$381,350
\$/Land SF(Gross):	\$8.75
Grantor/Seller:	Rep Blue Oaks Inc
Grantee/Buyer:	Lincoln Village IL LLC & Lincoln Village SNF LLC
Property Rights:	Fee Simple
Document Type:	Deed
Recording No.:	02980 & 02977

Comments

This property was marketed and sold as commercial land. At its own expense, the buyer obtained approvals/conditional use permit for an assisted living facility.

Improvement and Site Data

Legal/Tax/Parcel ID:	329-010-064 & -065
Acres(Gross):	10.00
Land-SF(Gross):	435,600
Zoning Code:	C
Zoning Desc.:	Commercial
Source of Land Info.:	Public Records



Location & Property Identification

Property Name:	Vacant Commercial Land
Sub-Property Type:	Commercial, Retail
Address:	SWC of Blue Oaks Blvd. & N. Hayden Pky
City/State/Zip:	Roseville, CA 95747
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	2187285



the Fiddymont Ranch community of West Roseville. This parcel represents one of only 11 parcels within the specific plan zoned Community Commercial and allows for a range of uses including a drug store and car wash. A 235 unit housing development is located directly across the street; immediately adjacent is a newly constructed 156-unit apartment community. An additional 3,000 residential units are planned for the last to the west of the site.

Sale Information

Listing Price:	\$1,847,000
Effective Listing Price:	\$1,847,000
Listing Date:	01/01/2019
Sale Status:	Listing
\$/Acre(Gross):	\$348,491
\$/Land SF(Gross):	\$8.00
Grantor/Seller:	ATC Realty One, LLC.
Assemblage:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple

Improvement and Site Data

MSA:	Sacramento--Roseville--Arden Arcade, CA
Legal/Tax/Parcel ID:	492-012-003
Acres(Gross):	5.30
Land-SF(Gross):	230,868
Zoning Code:	CC
Zoning Desc.:	Community Commercial
Source of Land Info.:	Public Records

Comments

This comparable represents a current listing of a commercially zoned parcel located at the southwest corner of Blue Oaks Blvd and N. Hayden Parkway within

Land Sales - Multi-family Land

Location & Property Identification

Property Name: Duckhorn Pine Apartments
 Sub-Property Type: Residential, Multifamily
 Address: Duckhorn Dr.
 City/State/Zip: Sacramento, CA 95834
 County: Sacramento

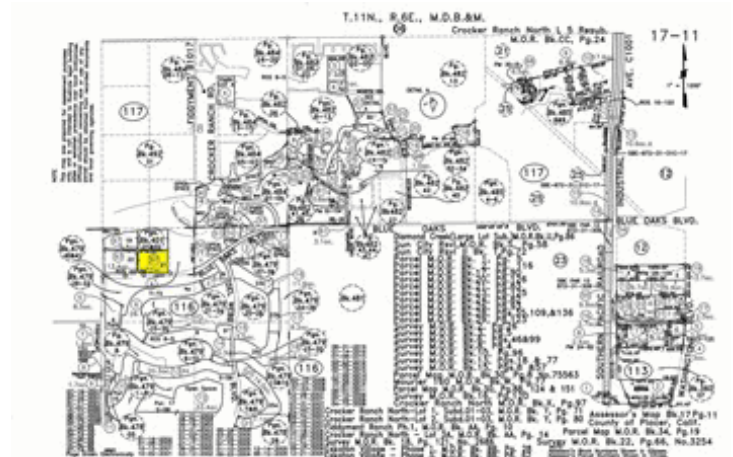
Market Orientation: Suburban

IRR Event ID: 2192625



Location & Property Identification

Property Name:	1900 Blue Oaks Blvd
Sub-Property Type:	Residential, Multifamily
Address:	1900 Blue Oaks Blvd.
City/State/Zip:	Roseville, CA 95747
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	1888870



Sale Information

Sale Price:	\$8,500,000
Effective Sale Price:	\$8,500,000
Sale Date:	06/29/2017
Sale Status:	Closed
\$/Acre(Gross):	\$708,333
\$/Land SF(Gross):	\$16.26
\$/Unit:	\$28,333 /Unit
Grantor/Seller:	Central Valley Property Advisors
Grantee/Buyer:	Fiddymont Ranch Apartments, LP
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	48660

Topography:	Level
Corner Lot:	No
Frontage Type:	2 way, 1 lane each way
Traffic Flow:	Moderate
AccessibilityRating:	Average
Visibility Rating:	Average
Zoning Code:	R-3
Zoning Desc.:	Attached Housing District
Flood Zone Designation:	X
Utilities:	Electricity, Water Public, Sewer, Gas, Telephone, Fiber Optics
Source of Land Info.:	Public Records

Comments

This sale consists of 12.00 acres of multifamily land in Roseville. The buyer acquired the property in June 2017 for \$28,333 per unit, plus the assumption of bonds in the amount of \$3,833 per unit. The buyer plans to construct 300 units and the project (identified as Avia) will consist of 15 apartment buildings, a pool, clubhouse and playground. The project has all approvals in place and is anticipated to take approximately 22 months to complete.

Improvement and Site Data

Legal/Tax/Parcel ID:	017-117-087
Acres(Gross):	12.00
Land-SF(Gross):	522,720
No. of Units (Potential):	300
Shape:	Rectangular

Location & Property Identification

Property Name:	Broadstone Parkway Multifamily Site
Sub-Property Type:	Residential, Multifamily
Address:	SWC Broadstone Parkway and Cavitt Drive
City/State/Zip:	Folsom, CA 95630
County:	Sacramento
Market Orientation:	Suburban
IRR Event ID:	1393909



Sale Information

Sale Price:	\$7,250,000
Effective Sale Price:	\$7,250,000
Sale Date:	04/28/2016
Sale Status:	Closed
\$/Acre(Gross):	\$631,533
\$/Land SF(Gross):	\$14.50
\$/Unit:	\$24,744 /Apt. Unit
Grantor/Seller:	Carefree Broadstone, LP
Grantee/Buyer:	Talavera Ridge 631, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	201604150552

Zoning Code:	MHD
Source of Land Info.:	Public Records

Comments

This site is located at the South West Corner of Broadstone Parkway and Cavitt Drive to the East of E. Bidwell Street. The property is proposed for a 293 unit market rate apartment project called Talavera Ridge.

Improvement and Site Data

MSA:	Sacramento--Roseville--Arden Arcade, CA
Legal/Tax/Parcel ID:	072-0270-120
Acres(Gross):	11.48
Land-SF(Gross):	500,068
No. of Units (Potential):	293



Location & Property Identification

Property Name:	Bridgeway Square Proposed Apartments
Sub-Property Type:	Residential, Multifamily
Address:	3175 Data Dr.
City/State/Zip:	Rancho Cordova, CA 95670
County:	Sacramento
Market Orientation:	Suburban
IRR Event ID:	1336779



Sale Information

Sale Price:	\$2,025,000
Effective Sale Price:	\$2,025,000
Sale Date:	03/22/2016
Contract Date:	03/15/2015
Sale Status:	Closed
\$/SF GBA:	\$9.86
\$/SF NRA:	\$12.21
Eff. Price/Unit:	\$10,176 /Unit
\$/Acre(Gross):	\$390,173
\$/Land SF(Gross):	\$8.96
\$/Acre(Usable):	\$390,173
\$/Land SF(Usable):	\$8.96
\$/Unit:	\$10,176 /Potential Unit
\$/Land SF(Potential):	\$9.86
Grantor/Seller:	Beazer Homes
Grantee/Buyer:	Spanos Corporation
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Deed
Rent Controlled:	No
Rent Subsidized:	No

Verification Type: Confirmed-Buyer

Sale Analysis

Current Use at T.O.S.:	Vacant Land
Proposed Use Change:	Yes
Proposed Use Desc.:	Market-Rate Apartment
Entitlement @ T.O.S.:	No
Entitlement Status.:	Buyer took property through entitlement process

Occupancy

Occupancy at Time of Sale: 0.00%

Improvement and Site Data

MSA:	Sacramento--Roseville--Arden-Arcade, CA
Legal/Tax/Parcel ID:	072-0680-072-0000
GBA-SF:	205,474
NRA-SF:	165,850
Acres(Usable/Gross):	5.19/5.19
Land-SF(Usable/Gross):	226,076/226,076
Usable/Gross Ratio:	1.00
No. of Units (Potential):	199
Year Built:	2017
Property Class:	A
M&S Class:	D
Construction Quality:	Good

Improvement and Site Data (Cont'd)

Improvements Cond.:	Excellent
Exterior Walls:	Stucco
No. of Buildings/Stories:	4/4
Total Parking Spaces:	332
Park. Ratio 1000 SF GLA:	2.00
Park. Structure Space:	62
No. Surface Spaces:	233
Park. Ratio 1000 SF GBA:	1.62
Parking Ratio/(Unit):	1.67
Fire Sprinkler Type:	Yes
Air-Conditioning Type:	Central
Corner Lot:	Yes
Density-Unit/Gross Acre:	38.34
Density-Unit/Usable Acre:	38.34
Bldg. to Land Ratio FAR:	0.91
Zoning Code:	SPA
Zoning Desc.:	Mixed-use buildings
Environmental Issues:	No
Flood Plain:	No
Flood Zone Designation:	X
Utilities:	Electricity, Water Public, Sewer, Gas
Bldg. Phy. Info. Source:	Past Appraisal
Source of Land Info.:	Other

Comments

The property was under contract for a year while Spanos took the property through the entitlement process (closed once the entitlements were approved). Off-sites includes curbs, gutters, sidewalks, and street lights; there were no on-sites. As of the date of the report, the property has received design review approval from the City and its construction permits for on-site improvements are currently being processed. Site work is slated to commence in August 2016 with vertical construction scheduled to start in October 2016.

Location & Property Identification

Property Name:	2215 Natomas Park Dr.
Sub-Property Type:	Residential, Multifamily
Address:	2215 Natomas Park Dr.
City/State/Zip:	Sacramento, CA 95833
County:	Sacramento
Market Orientation:	Suburban
IRR Event ID:	1889072



Sale Information

Sale Price:	\$3,600,000
Effective Sale Price:	\$3,600,000
Sale Date:	02/29/2016
Sale Status:	Closed
\$/Acre(Gross):	\$329,369
\$/Land SF(Gross):	\$7.56
Grantor/Seller:	Creekside Natomas Partners
Grantee/Buyer:	Demmon Natomas Limited Partnership
Assemblage:	No
Portfolio Sale:	No
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	160229-1010
Verification Type:	

Improvement and Site Data

Legal/Tax/Parcel ID:	274-0410-025, -026
Acres(Gross):	10.93
Land-SF(Gross):	476,110
Shape:	Irregular
Topography:	Level
Corner Lot:	Yes
Zoning Code:	OB-PUD

Zoning Desc.:	Office, Planned Unit Development
Easements:	No
Utilities:	Electricity, Water Public, Sewer, Gas
Source of Land Info.:	Public Records

Comments

This sale consists of two contiguous parcels containing a total of 10.93 acres. This comparable experienced an unusually long escrow period (1 year) due to the re-zone process from office to residential use. The project will consist of 232 units within 13 apartment buildings, a pool, clubhouse and fitness center.

General Plan designation: Employment Center Mid Rise;
Density: 18 to 60 dwelling units per acre

Location & Property Identification

Property Name:	SWC Harbour Point Dr & Maritime Dr
Sub-Property Type:	Residential
Address:	Harbour Point & Maritime Dr.
City/State/Zip:	Elk Grove, CA 95758
County:	Sacramento
Market Orientation:	Suburban
IRR Event ID:	1414331



Sale Information

Sale Price:	\$725,000
Effective Sale Price:	\$725,000
Sale Date:	10/30/2015
Listing Price:	\$825,000
Sale Status:	Closed
\$/Acre(Gross):	\$236,928
\$/Land SF(Gross):	\$5.44
\$/Unit:	\$11,508 /Potential Unit
Grantor/Seller:	Samara Baveljit S & B K Trust
Grantee/Buyer:	Dhir Capital, Inc.
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Exposure Time:	8 (months)
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	201508101003

Corner Lot:	Yes
Zoning Code:	RD-25
Zoning Desc.:	Multi-family residential
Source of Land Info.:	Public Records

Comments

This is an investment sale. The property is located in the Southeast corner of Harbour Point Drive and Maritime Avenue, just north of Elk Grove Boulevard. The site is zoned for RD-25 (multi-family 25 units per acre). The present value of the mello-roos bond debt was estimated to be \$230,000.

Improvement and Site Data

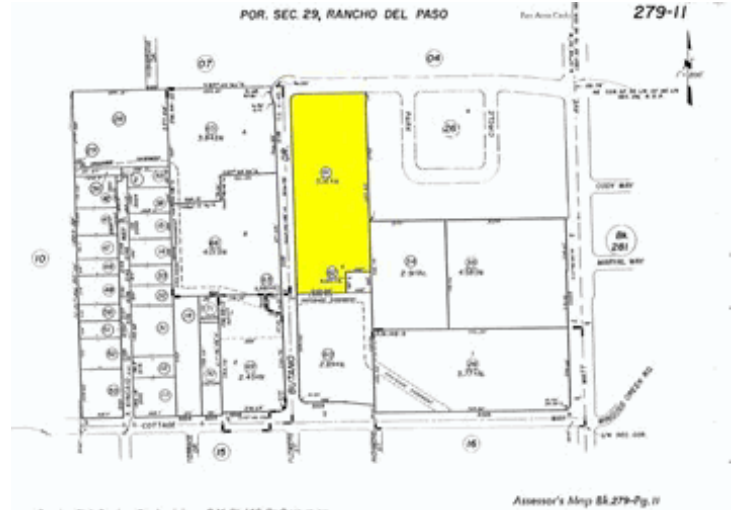
MSA:	Sacramento
Acres(Gross):	3.06
Land-SF(Gross):	133,293
No. of Units (Potential):	63



Location & Property Identification

Property Name:	2134 Butano Dr.
Sub-Property Type:	LIHTC
Address:	2134 Butano Dr.
City/State/Zip:	Sacramento, CA 95825
County:	Sacramento
Submarket:	Arden/Howe/Watt
Market Orientation:	Suburban

IRR Event ID: 1050382



Sale Information

Sale Price:	\$3,000,000
Effective Sale Price:	\$3,000,000
Sale Date:	04/14/2015
Sale Status:	Closed
Grantor/Seller:	Country Club Centre, LLC
Grantee/Buyer:	Arcade Sacramento LP
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller - buyer obtained financing
Document Type:	Deed
Recording No.:	201504141252

Land-SF(Usable/Gross):	224,769/224,769
Usable/Gross Ratio:	1.00
No. of Units (Potential):	148
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Zoning Code:	RD-30
Zoning Desc.:	Multifamily
Easements:	No
Environmental Issues:	No
Flood Plain:	No
Flood Zone Designation:	X
Utilities:	Electricity, Water Public, Sewer, Gas
Source of Land Info.:	Other

Sale Analysis

Current Use at T.O.S.:	Parking Lot
Proposed Use Change:	Yes
Proposed Use Desc.:	LIHTC Apartment

Improvement and Site Data

MSA:	Sacramento--Roseville--Arden--Arcade, CA
Legal/Tax/Parcel ID:	279-0110-061
Acres(Usable/Gross):	5.16/5.16

2134 Butano Dr.

Comments

The property was listed for sale for \$3,500,000 by Amy Lerseth of the Buzz Oates Group of Companies. Ms. Lerseth indicates that her team wasn't actively marketing the subject property on its own, but rather as a component of a larger retail center, Country Club Centre, located directly north of Butano Drive at the corner of Watt Avenue and El Camino Avenue. Because of this, she indicates that she hadn't received or solicited any other offers on the subject property. The buyer plans to construct a 148-unit LIHTC apartment property on the site with 1, 2, and 3 bedroom floor plans. The LIHTC project will lease to tenants qualifying at 50% and 60% of the area median income of Sacramento County. Construction of



Comments (Cont'd)

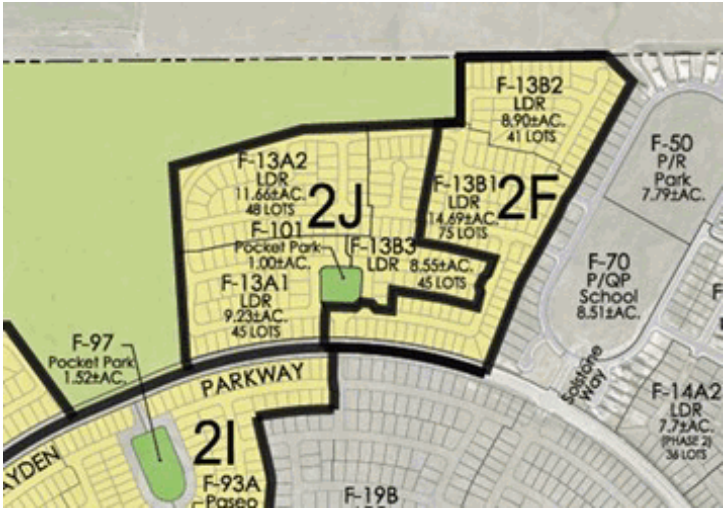
the proposed improvements is planned to commence in Spring 2015 with a 12-16 month construction period.

Land Sales – Residential Land



Location & Property Identification

Property Name:	Fiddymment Ranch, Villages F-13A-1 & 2, 13B-3
Sub-Property Type:	Residential, Residential Subdivision
Address:	N/O N Hayden Pky, W/O Fiddymment Rd
City/State/Zip:	Roseville, CA 95747
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	2218345



Sale Information

Sale Price:	\$6,969,000
Effective Sale Price:	\$6,969,000
Sale Date:	06/10/2019
Recording Date:	06/10/2019
Sale Status:	Closed
\$/Unit:	\$50,500 /Approved Lot
Grantor/Seller:	ATC Realty One, LLC.
Grantee/Buyer:	Taylor Morrison Homes
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller

No. of Units (Potential):	138
Shape:	Irregular
Topography:	Level
Zoning Code:	RS/DS
Zoning Desc.:	Small lot residential, design standards overlay
Easements:	No
Flood Plain:	No
Flood Zone Designation:	X
Source of Land Info.:	Public Records

Comments

This comparable represents the sale of three villages (Phase 2J) within Fiddymment Ranch totaling 138 blue top lots with a typical lot size of 5,775 square feet. Site development costs are estimated at \$76,000/lot, permits & fees average \$70,962/lot, and special assessments are \$1,792/lot. Taylor Morrison experienced slightly higher costs because there is a large storm drain that runs through the middle of the project that serves upstream property. Thus, they have to construct landscaping/retaining walls/bike trail/fences along the boundary, as well as backup landscaping/sidewalk/soundwalls along the north boundary of Hayden Parkway.

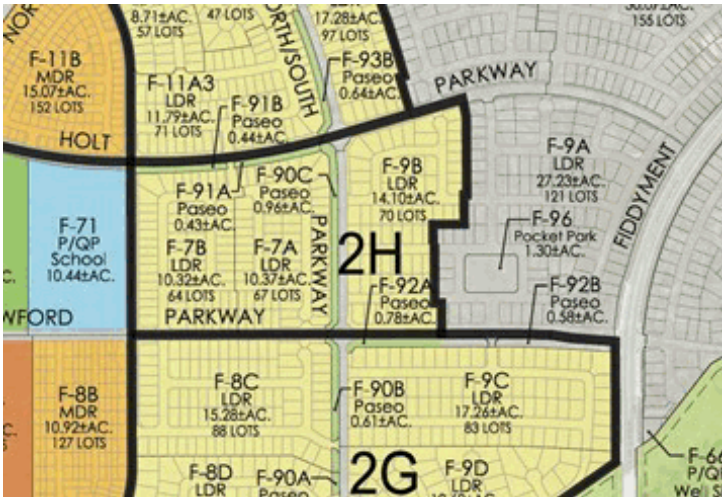
Improvement and Site Data

Legal/Tax/Parcel ID:	492-012-081 thru -083
Acres(Gross):	29.40
Land-SF(Gross):	1,280,664
Potential Lot SF:	5,775



Location & Property Identification

Property Name:	Fiddymment Ranch, Villages F-7A & 7B
Sub-Property Type:	Residential, Residential Subdivision
Address:	S/O Holt Pky, W/O Fiddymment Rd
City/State/Zip:	Roseville, CA 95747
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	2195641



Sale Information

Sale Price:	\$15,851,000
Effective Sale Price:	\$15,851,000
Sale Date:	12/05/2018
Contract Date:	05/15/2018
Sale Status:	Closed
\$/Unit:	\$121,000 /Approved Lot
Grantor/Seller:	ATC Realty One, LLC.
Grantee/Buyer:	Lennar Homes of CA, Inc.
Assemblage:	No
Portfolio Sale:	Yes
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	87653

Potential Lot SF:	4,500
No. of Units (Potential):	131
Topography:	Level
Zoning Desc.:	Single-family
Source of Land Info.:	Other

Comments

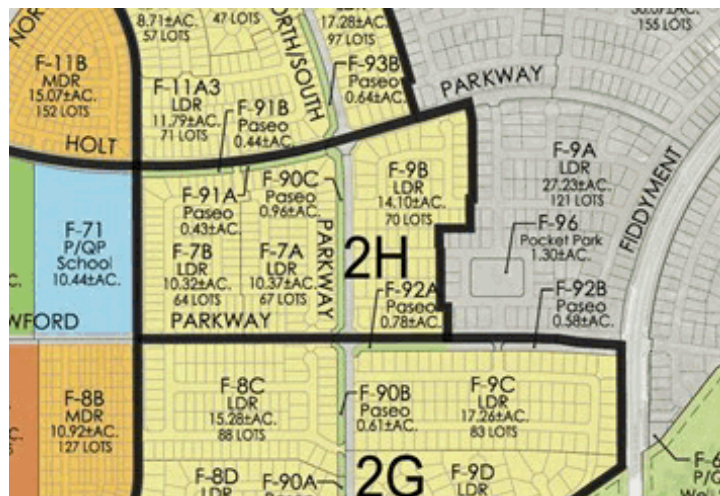
This comparable was part of a multi-village take-down and represents the transfer of 131 finished lots with a typical lot size of 4,500 SF within Fiddymment Ranch. Permits & Fees average \$66,973/lot; annual special assessments are \$1,792/lot.

Improvement and Site Data

Legal/Tax/Parcel ID:	492-011-007 & -008



Property Name:	Fiddymment Ranch, Village F-9B
Sub-Property Type:	Residential, Residential Subdivision
Address:	S/O Holt Pky, W/O Fiddymment Rd
City/State/Zip:	Roseville, CA 95747
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	2195644



Sale Price:	\$9,940,000
Effective Sale Price:	\$9,940,000
Sale Date:	12/05/2018
Contract Date:	05/15/2018
Sale Status:	Closed

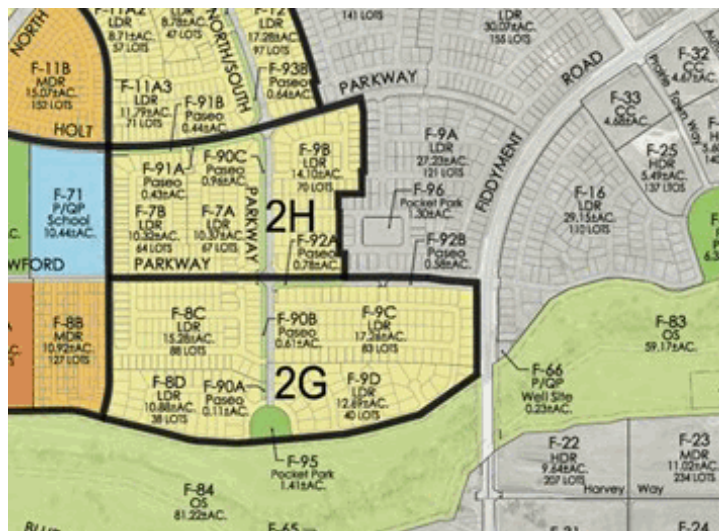
Potential Lot SF:	5,775
No. of Units (Potential):	70
Topography:	Level
Zoning Desc.:	Single-family
Source of Land Info.:	Other

This comparable was part of a multi-village take-down and represents the transfer of 70 finished lots with a typical lot size of 5,775 SF within Fiddymment Ranch. Permits & Fees average \$66,973/lot; annual special assessments are \$1,792/lot.

Legal/Tax/Parcel ID: 492-011-009



Property Name:	Fiddymment Ranch, Village F-8C
Sub-Property Type:	Residential, Residential Subdivision
Address:	N/O Blue Oaks Blvd, W/O Fiddymment Rd
City/State/Zip:	Roseville, CA 95747
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	2195569



Sale Price:	\$11,039,600
Effective Sale Price:	\$11,039,600
Sale Date:	06/21/2018
Contract Date:	11/17/2017
Sale Status:	Closed

\$/Unit:	\$125,450 /Approved Lot
Grantor/Seller:	ATC Realty One, LLC.
Grantee/Buyer:	John Mourier Construction, Inc.
Portfolio Sale:	Yes
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	44304

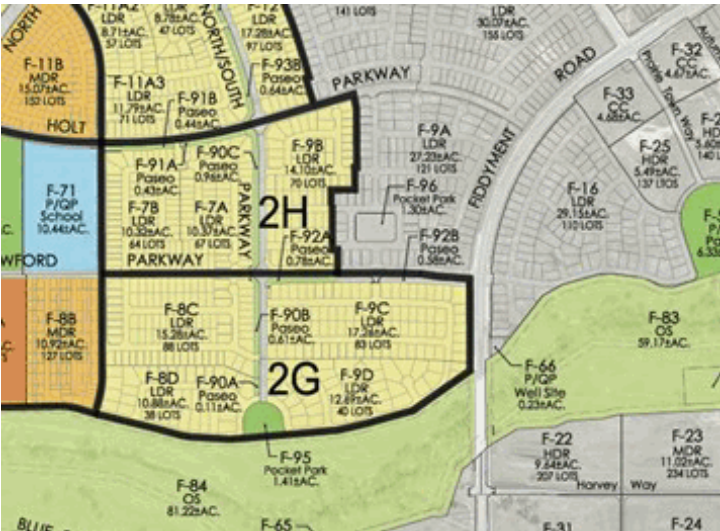
Potential Lot SF:	5,125
No. of Units (Potential):	88
Topography:	Level
Zoning Desc.:	Single-family
Source of Land Info.:	Other

This comparable was part of a multi-village take-down and represents the transfer of 88 finished lots with a typical lot size of 5,125 SF within Fiddymment Ranch. Permits & Fees average \$66,973/lot; annual special assessments are \$1,792/lot.

Legal/Tax/Parcel ID:	492-010-057 (por.)
Acres(Gross):	0.00

Location & Property Identification

Property Name:	Fiddymment Ranch, Village F-9C
Sub-Property Type:	Residential, Residential Subdivision
Address:	N/O Blue Oaks Blvd, W/O Fiddymment Rd
City/State/Zip:	Roseville, CA 95747
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	2195629



Sale Information

Sale Price:	\$11,159,350
Effective Sale Price:	\$11,159,350
Sale Date:	06/21/2018
Contract Date:	11/17/2017
Sale Status:	Closed
\$/Unit:	\$134,450 /Approved Lot
Grantor/Seller:	ATC Realty One, LLC.
Grantee/Buyer:	John Mourier Construction, Inc.
Assemblage:	No
Portfolio Sale:	Yes
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	44304

Potential Lot SF:	6,300
No. of Units (Potential):	83
Topography:	Level
Zoning Desc.:	Single-family
Source of Land Info.:	Other

Comments

This comparable was part of a multi-village take-down and represents the transfer of 83 finished lots with a typical lot size of 6,300 SF within Fiddymment Ranch. Permits & Fees average \$66,973/lot; annual special assessments are \$1,792/lot.

Improvement and Site Data

Legal/Tax/Parcel ID:	492-010-057 (por.)



Location & Property Identification

Property Name: Solaire WB-4A & 4B

Sub-Property Type: Residential, Residential Subdivision

Address: SWC of Solaire Dr. and Westbrook Blvd.

City/State/Zip: Roseville, CA 95747

County: Placer

Market Orientation: Suburban

IRR Event ID: 1885821

Sale Information

Sale Price: \$6,150,000

Effective Sale Price: \$6,150,000

Sale Date: 02/16/2018

Recording Date: 02/16/2018

Sale Status: Closed

\$

\$/Unit: \$61,500 /Approved Lot

Grantor/Seller: Westpark Communities

Grantee/Buyer: Woodside 05N LP

Property Rights: Fee Simple

Financing: Cash to seller

Recording No.: 2018-0010329

Topography: Level

Zoning Desc.: Single-family

Source of Land Info.: Public Records

Comments

This sale of 100 unimproved lots in Solaire are comprised of 58 lots with a typical size of 4,500 square feet and 42 lots with a typical size of 5,500 square feet for a weighted average of 4,920 square feet. Annual assessments are \$1,622. The lots are located within the Roseville School District. Permits are estimated at \$71,221 and remaining development cost is estimated at \$41,591 per lot (wgt. avg.).

Occupancy

Occupancy at Time of Sale: 100.00%

Improvement and Site Data

Legal/Tax/Parcel ID: 496-100-048

Potential Lot SF: 4,920

No. of Units (Potential): 100

Location & Property Identification

Property Name:	Village Center, Parcels W-28 & W-29
Sub-Property Type:	Residential, Residential Subdivision
Address:	E/O Pleasant Grove Blvd., W/O Fiddymment Rd. Blvd.
City/State/Zip:	Roseville, CA 95747
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	1903874

Sale Information

Sale Price:	\$3,360,000
Effective Sale Price:	\$3,360,000
Sale Date:	01/17/2018
Sale Status:	Closed
\$/Unit:	\$60,000 /Approved Lot
Grantor/Seller:	VC Roseville, LLC.
Grantee/Buyer:	K. Hovnanian at Village Center, LLC.
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	2548

Improvement and Site Data

Potential Lot SF:	4,100
No. of Units (Potential):	56
Topography:	Level
Flood Zone Designation:	X
Source of Land Info.:	Other

Comments

This property represents the recent sale of 56 unimproved lots with a typical size of 4,100 square feet the Village Center area of the Westpark community. Annual assessments are estimated at \$1,622. The lots are located within the Roseville School District. Permits are estimated at \$67,000 and remaining development cost is estimated at \$35,000 per lot.

Sale Analysis

Sale Price Includes FF&E?	No

Location & Property Identification

Property Name: Fiddymment Farms - 88 Lots

Sub-Property Type: Residential, Residential Subdivision

Address: N/O Blue Oaks Blvd, W/O Fiddymment Rd

City/State/Zip: Roseville, CA 95747

County: Placer

Market Orientation: Suburban

IRR Event ID: 1885827

Sale Information

Sale Price: \$11,000,000

Effective Sale Price: \$11,000,000

Sale Date: 12/29/2017

Recording Date: 12/29/2017

Sale Status: Closed

\$/Unit: \$125,000 /Improved Lot

Grantor/Seller: William & Kathleen Wistrich

Grantee/Buyer: John Mourier Construction, Inc.

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Deed

Recording No.: 2017-0104362-00

Potential Lot SF: 5,125

No. of Units (Potential): 88

Topography: Level

Zoning Desc.: Single-family

Source of Land Info.: Other

Comments

This is the sale of 88 lots of 5,125 square feet in Fiddymment Farms. Annual Special Assessments per lot \$1,688 Estimated permits and fees are \$63,800. The lots are to be delivered finished.

Occupancy

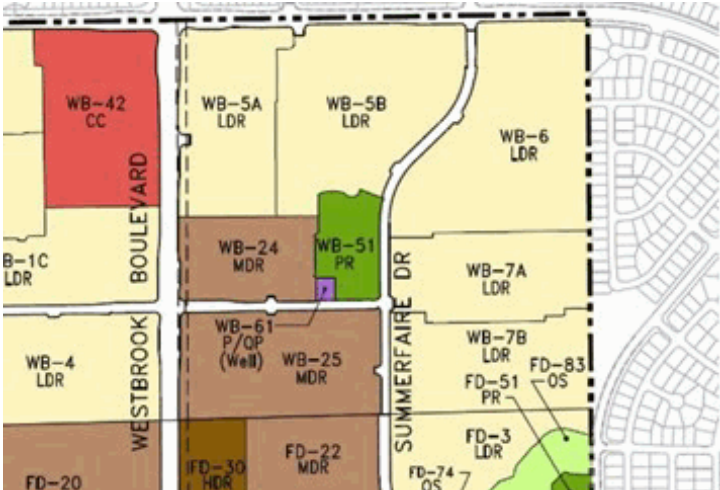
Occupancy at Time of Sale: 100.00%

Improvement and Site Data

Legal/Tax/Parcel ID: 497-040-034

Location & Property Identification

Property Name:	Solaire, Village 7B
Sub-Property Type:	Residential
Address:	E/O Westbrook Blvd, S/O Pleasant Grove Blvd
City/State/Zip:	Roseville, CA 95747
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	1879786



Sale Information

Sale Price:	\$5,904,000
Effective Sale Price:	\$5,904,000
Sale Date:	06/09/2017
Sale Status:	Closed
\$/Acre(Gross):	\$444,659
\$/Land SF(Gross):	\$10.21
\$/Building SF:	\$984.00
\$/Unit:	\$82,000 /Unit
Grantor/Seller:	WP Development Company, LLC.
Grantee/Buyer:	Taylor Morrison
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	Cash Equivalent
Recording No.:	2017-0042568

Potential Lot SF:	6,000
No. of Units (Potential):	72
Topography:	Level
Zoning Desc.:	Single-family
Source of Land Info.:	Public Records

Comments

This property represents the sale of 72 unimproved lots in the Solaire community, just north of the Sierra Vista Specific Plan, in West Roseville. Annual special assessments are \$1,622/lot.

Occupancy

Occupancy at Time of Sale:	100.00%

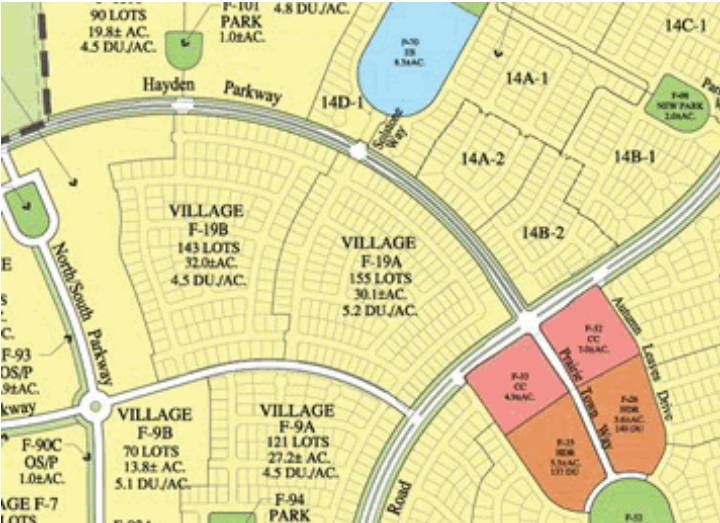
Improvement and Site Data

Legal/Tax/Parcel ID:	496-100-061
Acres(Gross):	13.28
Land-SF(Gross):	578,372



Location & Property Identification

Property Name:	Fiddymment Ranch, Village F19A-1 (portion I)
Sub-Property Type:	Residential, Residential Subdivision
Address:	N/O Blue Oaks Blvd, W/O Fiddymment Rd
City/State/Zip:	Roseville, CA 95747
County:	Placer
Market Orientation:	Suburban
IRR Event ID:	1880527



Sale Information

Sale Price:	\$5,500,000
Effective Sale Price:	\$5,500,000
Sale Date:	05/01/2017
Sale Status:	Closed
\$/Building SF:	\$1,100.00
\$/Unit:	\$125,000 /Approved Lot
Grantor/Seller:	Anthem United
Grantee/Buyer:	JMC Homes
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	Cash Equivalent
Recording No.:	N/Av

No. of Units (Potential):	44
Topography:	Level
Zoning Desc.:	Single-family
Source of Land Info.:	Other

Comments

This property represents the recent sale of 44 improved lots within Village F19A-1 of the Fiddymment master planned community. Annual special assessments are \$1,688/lot.

Occupancy

Occupancy at Time of Sale:	100.00%

Improvement and Site Data

Legal/Tax/Parcel ID:	492-010-052 (por.)
Potential Lot SF:	5,000



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APPENDIX C

THE CITY OF ROSEVILLE AND PLACER COUNTY

The District is located in the City of Roseville (the “City”), which is located in southwestern Placer County (the “County”), California (the “State”). Certain financial and economic data for the City, County and State are presented in this appendix for information purposes only. The 2019 Bonds are not a debt or obligation of the City, County or State, but are a limited obligation of the City, secured solely by the Special Tax Revenues and other amounts pledged under the Fiscal Agent Agreement, all as described in more detail in this Official Statement.

General

The City is located in the County, which is located in the Sacramento Valley near the foothills of the Sierra Nevada mountain range, about 16 miles northeast of Sacramento and 110 miles east of San Francisco. The City presently occupies 43 square miles in the southwestern part of the County and is the largest city in the County as well as the residential and business center of the County. It is bordered by Sacramento County to the south, the City of Rocklin to the north and un-incorporated Placer County to the east and west. The estimated population of the City as of January 1, 2019 was approximately 139,643.

The City has warm summers typical of central California, with an average July temperature of 77 degrees. Winter temperatures are moderate; the average January temperature is 46 degrees. The temperature drops below freezing an average of eight days per year. Rainfall averages 20 inches annually and falls mostly during the winter.

The City is predominately comprised of residential housing, small and large businesses, as well as numerous retail centers, the latter of which play a vital role in the economy of the City and contribute significantly to City and County sales tax receipts. The City has the thirteenth highest retail sales of all cities in the State, and the City is considered a regional shopping destination. The Westfield Galleria at Roseville is the main shopping center in the City and the second largest shopping mall in Northern California. Across from the Westfield Galleria lies the “Fountains at Roseville,” a 330,000 square foot retail center, containing additional stores and several recreation centers. Plans call for future construction of hotel, additional retail, and office buildings in connection with the Fountains at Roseville project. In addition to the Westfield Galleria and Fountains at Roseville, the City has many shopping plazas surrounding the Westfield Galleria and the Douglas Boulevard financial corridor. The City is also home to one of the largest auto malls in the United States and a popular water park, Roseville Golf and SunSplash.

Municipal Government

The City was incorporated on April 10, 1909 and is a charter city. The City operates under the council-manager form of government, with a five-member City Council elected at large for staggered four-year terms. At each election, the council member receiving the most votes is appointed mayor pro-tempore for two years and becomes mayor for the final two years.

City services include, among others, police and fire protection, library services, street maintenance, and parks and recreation. The City also owns two golf courses and provides its own electricity, water, sewer and refuse services to its citizens.

Population

The following table sets forth population estimates for the City, County and State for the past five years.

POPULATION ESTIMATES
City, County and State
Calendar Years 2015 through 2019, as of January 1

<u>Year</u>	<u>City of Roseville</u>	<u>Placer County</u>	<u>State of California</u>
2015	129,299	370,387	38,912,464
2016	132,167	375,618	39,179,627
2017	134,650	383,173	39,500,973
2018	136,260	389,480	39,740,508
2019	139,643	396,691	39,927,315

Source: California State Department of Finance.

Effective Buying Income

Effective buying income (“**EBI**”) is designated as personal income less personal tax and non-tax payments. Personal income is the aggregate of wages and salaries, other labor income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, personal interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), non-tax payments (such as fines, fees, penalties), and personal contributions for social insurance. Effective buying income is a bulk measure of market potential. It indicates the general ability to buy and is essential in comparing, selecting and grouping markets on that basis. The following table demonstrates the growth in annual estimated EBI for the City, the County, the State and the United States.

EFFECTIVE BUYING INCOME (EBI) City, County, State and United States As of January 1, 2015 through 2019

Year	Area	Total Effective Buying Income (000’s Omitted)	Median Household Effective Buying Income
2015	City of Roseville	\$3,507,655	\$59,074
	Placer County	10,287,888	58,583
	California	901,189,699	50,072
	United States	7,357,153,421	45,448
2016	City of Roseville	\$3,959,073	\$64,615
	Placer County	11,729,490	64,480
	California	981,231,666	53,589
	United States	7,757,960,399	46,738
2017	City of Roseville	\$4,126,395	\$66,668
	Placer County	12,122,101	65,269
	California	1,036,142,723	55,681
	United States	8,132,748,136	48,043
2018	City of Roseville	\$4,470,762	\$70,438
	Placer County	12,967,927	69,226
	California	1,113,648,181	59,646
	United States	8,640,770,229	50,735
2019	City of Roseville	\$4,981,208	\$75,784
	Placer County	14,736,480	74,797
	California	1,183,264,399	62,637
	United States	9,017,967,563	52,841

Source: The Nielsen Company (US), Inc for years 2015 through 2018; Claritas, LLC for 2019.

Employment and Industry

The unemployment rate in the Sacramento--Roseville--Arden-Arcade MSA was 3.5 percent in April 2019, down from a revised 4.2 percent in March 2019, and below the year-ago estimate of 3.6 percent. This compares with an unadjusted unemployment rate of 3.9 percent for California and 3.3 percent for the nation during the same period. The unemployment rate was 3.5 percent in El Dorado County, 3.0 percent in Placer County, 3.5 percent in Sacramento County, and 4.0 percent in Yolo County.

The following table summarizes the civilian labor force, employment and unemployment, as well as employment by industry, in the Sacramento--Arden-Arcade--Roseville MSA for the years 2014 through 2018. Annual figures are not yet available for 2019.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
Sacramento Arden Arcade Roseville Metropolitan Statistical Area
(El Dorado, Placer, Sacramento, and Yolo Counties)
Civilian Labor Force, Employment and Unemployment
Annual Averages

	<u>2014</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2018</u>
<u>Civilian Labor Force</u> ⁽¹⁾	1,044,700	1,053,800	1,069,300	1,076,500	1,095,800
Employment	970,300	992,100	1,012,900	1,027,600	1,055,100
Unemployment	74,400	61,700	56,400	48,900	40,600
Unemployment Rate	7.1%	5.9%	5.3%	4.5%	3.7%
<u>Wage and Salary Employment</u> ⁽²⁾					
Agriculture	9,200	9,400	9,700	9,800	9,100
Mining and Logging	400	400	400	400	500
Construction	45,600	50,300	55,000	58,700	63,600
Manufacturing	35,400	36,400	36,200	35,700	36,100
Wholesale Trade	24,100	24,400	25,500	26,500	28,500
Retail Trade	95,300	98,000	100,500	101,400	102,300
Transportation, Warehousing and Utilities	23,600	24,600	26,000	26,700	29,100
Information	13,900	14,100	13,800	12,500	12,300
Finance and Insurance	35,600	37,100	37,300	37,200	37,100
Real Estate and Rental and Leasing	13,400	13,800	14,500	15,200	16,800
Professional and Business Services	118,300	120,300	128,100	130,600	135,700
Educational and Health Services	134,300	140,100	145,600	152,800	159,500
Leisure and Hospitality	91,800	95,400	99,800	103,300	106,300
Other Services	30,300	30,900	31,700	33,000	34,200
Federal Government	13,600	13,700	14,000	14,200	14,100
State Government	113,400	115,300	116,600	118,400	120,500
Local Government	100,800	102,900	104,000	102,600	102,900
Total, All Industries ⁽³⁾	898,800	927,100	958,700	978,800	1,008,700

⁽¹⁾ Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

⁽²⁾ Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

⁽³⁾ Totals may not add due to rounding.

Source: State of California Employment Development Department.

Major Employers

The following table lists the major employers within the County, in alphabetical order.

MAJOR EMPLOYERS Placer County (In Alphabetical Order) May 2019

<u>Employer</u>	<u>Location</u>	<u>Industry</u>
Adventist Health	Roseville	Health Services
Alpine Meadows Ski Resort	Alpine Meadows	Resorts
Backyard Bar & BBQ	Truckee	Restaurants
Costco Wholesale	Roseville	Wholesale Clubs
Golfland Sunsplash	Roseville	Water Parks
Hewlett-Packard	Roseville	Computers-Electronic-Manufacturers
Kaiser Permanente Roseville MD	Roseville	Hospitals
Northstar California	Truckee	Resorts
Oracle	Rocklin	Computer Software-Manufacturers
Placer County Food Stamps	Auburn	County Government-Social/Human Resources
Placer County Sheriff	Auburn	Government Offices-County
Placer County Sheriff Dept	Tahoe City	Government Offices-County
PRIDE Industries	Roseville	Employment Agencies & Opportunities
Q I P-Roseville	Roseville	Real Estate Management
Resort At Squaw Creek	Alpine Meadows	Hotels & Motels
Ritz-Carlton Club Lake Tahoe	Truckee	Hotels & Motels
Ritz-Carlton Lake Tahoe	Truckee	Hotels & Motels
Sheriff's Training	Auburn	Government Offices-County
Sierra Community College Dist	Rocklin	Junior-Community College-Tech Institutes
Stagg Howard A Pro Corp	Roseville	Attorneys
Sutter Auburn Faith Hospital	Auburn	Hospitals
Sutter Roseville Medical Ctr	Roseville	Hospitals
Tami Saner & Assoc	Roseville	Real Estate
Thunder Valley Casino	Lincoln	Casinos
Union Pacific Railroad Co	Roseville	Railroads

Source: State of California Employment Development Department, extracted from the America's Labor Market Information System (ALMIS) Employer Database, 2019 2nd Edition.

Principal Employers

The following table shows the principal employers in the City, as shown in the City's Comprehensive Annual Financial Report for fiscal year ending June 30, 2018.

PRINCIPAL EMPLOYERS City of Roseville As of June 30, 2018

<u>Employer</u>	<u>Number of Employees</u>
The Permanente Medical Group & Foundation Group	3,148
Sutter Roseville Medical Group	2,202
City of Roseville	1,896
Roseville Joint Union High School	1,626
Roseville City School District	1,133
PRIDE Industries	1,062
Adventist Health	940
Wal-Mart	625
Union Pacific Railroad Company	569
Consolidated Communications	475
Total – Top Ten	<u>13,676</u>
Total City-Wide Employment	83,221

Source: City of Roseville Comprehensive Annual Financial Report for Fiscal Year 2017-18.

Construction Permits

The following table shows valuations of residential and non-residential building permits issued for calendar years 2013 through 2017. Annual figures are not yet available for 2018.

BUILDING PERMIT VALUATION City of Roseville (Valuation in Thousands of Dollars)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Permit Valuation</u>					
New Single-family	\$118,547.9	\$154,499.7	\$262,769.4	\$242,272.7	\$322,386.5
New Multi-family	6,632.0	15,360.4	0.0	5,900.3	51,882.2
Res. Alterations/Additions	<u>3,395.0</u>	<u>4,967.8</u>	<u>9,039.9</u>	<u>7,518.4</u>	<u>7,283.3</u>
Total Residential	\$128,574.90	\$174,827.9	\$271,809.3	\$255,691.40	\$381,552.0
 New Commercial	 \$26,058.9	 \$19,546.6	 \$36,704.0	 \$27,783.7	 \$81,544.8
New Industrial	0.0	0.0	0.0	0.0	0.0
New Other	2,627.4	10,935.1	9,340.5	18,126.2	8,356.1
Com. Alterations/Additions	<u>45,489.0</u>	<u>62,138.9</u>	<u>42,754.7</u>	<u>32,621.0</u>	<u>51,836.3</u>
Total Nonresidential	\$74,175.30	\$92,620.6	\$88,799.2	\$78,530.9	\$141,737.2
 <u>New Dwelling Units</u>					
Single-Family	528	644	927	862	1,201
Multiple Family	<u>224</u>	<u>0</u>	<u>0</u>	<u>58</u>	<u>486</u>
Total New Dwelling Units	752	644	927	920	1,687

Source: Construction Industry Research Board, Building Permit Summary.

The County's 2016-17 assessment roll totaled \$66.8 billion as compared to the prior year's assessment roll of \$63.4 billion, which reflected a 5.38% increase this year. These numbers over the last two years contrast with the real estate decline years of 2008 and after, where the County assessment roll experienced declines.

The following table shows residential and non-residential building permits issued within the County for calendar years 2013 through 2017. Annual figures are not yet available for 2018.

BUILDING PERMIT VALUATION
County of Placer
(Valuation in Thousands of Dollars)

	2013	2014	2015	2016	2017
<u>Permit Valuation</u>					
New Single-family	\$378,286.0	\$523,638.2	\$683,806.3	\$776,410.8	\$771,800.5
New Multi-family	7,078.5	48,645.5	21,702.2	42,395.7	92,565.5
Res. Alterations/Additions	<u>50,358.2</u>	<u>59,428.5</u>	<u>82,577.5</u>	<u>79,543.6</u>	<u>89,429.2</u>
Total Residential	\$435,722.7	\$631,712.2	\$788,086.0	\$898,350.10	\$953,795.2
 New Commercial	 \$70,876.0	 \$38,343.5	 \$72,506.2	 \$84,953.2	 \$138,544.8
New Industrial	1,092.0	199.8	1,339.6	535.1	0.0
New Other	25,673.5	44,159.8	72,602.9	90,958.7	57,356.4
Com. Alterations/Additions	<u>73,037.0</u>	<u>101,977.7</u>	<u>80,457.5</u>	<u>64,524.2</u>	<u>94,058.6</u>
Total Nonresidential	\$170,678.5	\$184,680.8	\$226,906.2	\$240,971.2	\$289,959.8
 <u>New Dwelling Units</u>					
Single-Family	1,249	1,620	1,994	2,102	2,500
Multiple Family	<u>227</u>	<u>376</u>	<u>240</u>	<u>322</u>	<u>782</u>
Total New Dwelling Units	1,996	2,234	2,424	2,342	3,282

Source: Construction Industry Research Board, Building Permit Summary.

Commercial Activity

A summary of historic taxable sales within the City and the County during the past five years in which data is available is shown in the following tables. The total taxable sales during first quarter of calendar year 2018 in the City were reported to be \$1,096,031,536, a 1.15% increase from the total taxable sales of \$1,083,615,965 reported during the first quarter of calendar year 2017. Annual figures for 2018 are not yet available.

TAXABLE TRANSACTIONS City of Roseville Calendar Years 2013 through 2017 (Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2013	3,757	3,558,765	4,819	4,171,738
2014	3,699	3,607,127	4,743	4,227,788
2015 ⁽¹⁾	3,828	3,684,238	5,334	4,446,457
2016	3,761	3,749,782	5,293	4,425,939
2017	3,715	3,915,184	5,257	4,642,069

(1) Permit figures for calendar year 2015 are not comparable to that of prior years due to outlet counts in these reports including the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers.

Source: State Board of Equalization. Taxable Sales in California (Sales & Use Tax) for years 2013-2016. State Department of Tax and Fee Administration for year 2017.

The total taxable sales during the first quarter of calendar year 2018 in the County were reported to be \$2,227,558,002, an 3.10% decrease over the total taxable sales of \$2,160,547,498 reported during the first quarter of calendar year 2017. Annual figures for 2018 are not yet available.

TAXABLE TRANSACTIONS Placer County Calendar Years 2013 through 2017 (Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2013	8,487	6,050,198	11,713	7,724,406
2014	8,520	6,296,076	11,749	8,100,167
2015 ⁽¹⁾	8,678	6,594,126	13,124	8,675,315
2016	8,671	6,814,515	13,227	8,920,892
2017	8,713	7,194,952	13,365	9,428,862

(1) Permit figures for calendar year 2015 are not comparable to that of prior years due to outlet counts in these reports including the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers.

Source: State Board of Equalization. Taxable Sales in California (Sales & Use Tax) for years 2013-2016. State Department of Tax and Fee Administration for year 2017.

Transportation

The transportation network in and around the City is an integral part of its development. Centrally located in the State, the area is the hub of several major highways. Interstate 80 runs through the City, connecting San Francisco to New York. Highway 65 runs north through the City, from I-80 to Lincoln and Marysville. Interstate 5, which is west of the City, runs north to Seattle and south to Los Angeles.

Union Pacific Railroad bought Southern Pacific in 1996 and the J.R. Davis Yard, located in Roseville, is the largest rail facility on the West Coast. Union Pacific owns and operates track in 23 states, primarily west of the Mississippi River. Amtrak provides passenger service daily to San Francisco and San Jose, and the California Zephyr connects the County to the Midwest and Chicago.

Greyhound operates a station in the City, providing interstate destination services. Greyhound also operates throughout the County, with bus depots or regularly scheduled stops in most of the communities along major highways and roads.

Sacramento International Airport serves the Roseville area. Served by ten major carriers and several commuter airlines, as well as air-freight carriers, the airport handles passenger flights to over 140 cities with more than 130 scheduled departures per day and 4.3 million passengers annually. Nearby Auburn Municipal Airport serves charter and private aircraft for coastal, state and transcontinental flights. Executive air service is available as well. Auburn Municipal has an elevation of 1,520 feet and an east/west runway 3,100 feet in length.

Several trucking companies serve the City, ranging from interstate lines to local haulers, and transporting a wide variety of goods. United Parcel Service, with a distribution center in Rocklin, offers freight transportation services as well.

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APPENDIX D
FORM OF OPINION OF BOND COUNSEL

_____, 2019

City Council
City of Roseville
311 Vernon Street
Roseville, California 95678

OPINION: \$_____ City of Roseville Fiddymment Ranch Community Facilities District
 No. 5 (Public Facilities) Special Tax Bonds Series 2019

Members of the City Council:

We have acted as bond counsel in connection with the issuance by the City of Roseville (the "City") of \$_____ City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities) Special Tax Bonds Series 2019 (the "Bonds"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, constituting Section 53311, et seq. of the California Government Code (the "Act") and a Fiscal Agent Agreement dated as of June 1, 2017, as supplemented and amended by a Supplemental Agreement No. 1 to Fiscal Agent Agreement, dated as of October 1, 2019 (together, the "Fiscal Agent Agreement") by and between the City for and on behalf of the City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities), and The Bank of New York Mellon Trust Company, N.A., as fiscal agent. We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the City contained in the Fiscal Agent Agreement, and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The City is duly created and validly existing as a public body, corporate and politic, with the power to adopt the resolution authorizing the issuance of the Bonds (the "Resolution"), enter into the Fiscal Agent Agreement, and perform the agreements on its part contained therein, and issue the Bonds.

2. The Bonds have been duly authorized, executed and delivered by the City and are valid and binding limited obligations of the City, payable solely from the sources provided therefor in the Fiscal Agent Agreement.

3. The Fiscal Agent Agreement has been duly entered into by the City and constitutes a valid and binding obligation of the City enforceable upon the City.

4. Pursuant to the Act, the Fiscal Agent Agreement creates a valid lien on the funds pledged by the Fiscal Agent Agreement.

5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in the preceding sentence is subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986 that must be satisfied subsequent to the issuance of the Bonds in order that such interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The City has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on the Bonds.

6. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Fiscal Agent Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and may also be subject to the exercise of judicial discretion in appropriate cases.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A Professional Law Corporation

APPENDIX E

FORMS OF CONTINUING DISCLOSURE CERTIFICATES

[CITY UNDERTAKING]

\$16,630,000

CITY OF ROSEVILLE

FIDDYMENT RANCH COMMUNITY FACILITIES DISTRICT NO. 5 (PUBLIC FACILITIES)

SPECIAL TAX BONDS

SERIES 2019

This CONTINUING DISCLOSURE CERTIFICATE (this “Disclosure Certificate”), dated as of October 1, 2019 is executed and delivered by the CITY OF ROSEVILLE (the “City”), for and on behalf of the City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities) (the “District”), in connection with the execution and delivery of its City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities) Special Tax Bonds, Series 2019 (the “Bonds”). The Bonds are being executed and delivered pursuant to a Fiscal Agent Agreement, dated as of June 1, 2017, as supplemented and amended by a Supplemental Agreement No. 1 to Fiscal Agent Agreement, dated as of October 1, 2019 (together, the “Fiscal Agent Agreement”), by and between the City and The Bank of New York Mellon Trust Company, N.A., as fiscal agent (the “Fiscal Agent”).

The City covenants and agrees, for and on behalf of the District, as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

Section 2. Definitions. In addition to the definitions set forth above and in the Fiscal Agent Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined herein, the following capitalized terms shall have the following meanings:

“Annual Report” means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Annual Report Date” means January 15th.

“Dissemination Agent” means, initially, Willdan Financial Services, or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation in accordance with Section 8 of this Disclosure Certificate.

“Listed Events” means any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“Official Statement” means the final official statement executed by the City in connection with the issuance of the Bonds.

“Participating Underwriter” means Stifel, Nicolaus & Company, Incorporated, as the original underwriter of the Bonds.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

“Special Taxes” means the special taxes of the District levied on taxable property within the District.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing January 15, 2020, with the report for the 2018-19 Fiscal Year, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided, that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event. The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City shall provide (or cause the Dissemination Agent to provide) to the MSRB in a timely manner, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A to this Disclosure Certificate.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine prior to each Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City’s Annual Report shall contain or incorporate by reference the following:

(a) The City’s audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time

by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) The following information:

- (i) Principal amount of all outstanding bonds of the District.
- (ii) Balance in the improvement fund or construction account.
- (iii) Balance in debt service reserve fund, and statement of the reserve fund requirement. Statement of projected reserve fund draw, if any.
- (iv) Balance in other funds and accounts held by the City or Fiscal Agent related to the Bonds, including the surplus account of the special tax fund.
- (v) Additional debt authorized by the City and payable from or secured by assessments or special taxes with respect to property within the District.
- (vi) The Special Tax levy, collections, the delinquency rate, total amount of delinquencies, number of parcels delinquent in payment for the five most recent Fiscal Years.
- (vii) The Special Tax levy and Maximum Special Tax by land use category (for example, LDR, MDR, HDR, and commercial) for the Fiscal Year in which the Annual Report is delivered.
- (viii) Notwithstanding the June 30th reporting date for information provided as of the end of the City's most recent Fiscal Year in the Annual Report, the following information shall be reported as of the last day of the month immediately preceding the date of the Annual Report for which such data is available rather than as of June 30th (i.e., as of December 31st): The identity of each delinquent taxpayer responsible for 5% or more of total special tax levied, and for each such taxpayer, the applicable assessor parcel number, assessed value of applicable properties, amount of Special Tax levied, amount delinquent by parcel number and status of foreclosure proceedings. If any foreclosure has been completed, a summary of results of foreclosure sales or transfers shall be provided.
- (ix) Most recently available total assessed value of all parcels subject to the Special Tax (in total, not by individual APNs) and for each of the previous five Fiscal Years. In addition, a schedule showing the total number of building permits issued for parcels subject to the Special Tax as of April 30th for the most recent year and aggregate number of building permits issued within the District.
- (x) Top Owners in the District (substantially in the form of Table 5 but including the current assessed values rather than appraised values, the current year Maximum Special Taxes rather than the estimated maximum Special Taxes at build out, the current year Special Tax levy rather than a projected levy and allocating the District debt based on the current year Special Tax levy).

(xi) To the extent not already provided pursuant to (viii) above, list of landowners and assessor's parcel number of parcels subject to 5% or more of the Special Tax levy, including the following information: development status to the extent shown in City records, land use classification, and assessed value (land and improvements). The reporting of development status shall coincide with cut-off dates applicable to the latest special tax levy.

(xii) Updated debt service schedule, if applicable.

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the City shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Listed Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.

- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person.
- (13) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional fiscal agent or the change of name of the fiscal agent, if material.
- (15) Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material (for the definition of “financial obligation,” see clause (e)).
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties (for the definition of “financial obligation,” see clause (e)).

(b) Whenever the City obtains knowledge of the occurrence of a Listed Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event.

(c) The City acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14) and (a)(15) of this Section 5 contain the qualifier “if material” and that subparagraph (a)(6) also contains the qualifier “material” with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event’s occurrence is material for purposes of U.S. federal securities law. Whenever the City obtains knowledge of the occurrence of any of these Listed Events, the City will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the City will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(e) For purposes of Section 5(a)(15) and (16), “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB pursuant to this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days’ written notice to the City. The initial Dissemination Agent shall be Willdan Financial Services.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted; and

(b) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Fiscal Agent Agreement for amendments to the Fiscal Agent Agreement with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first Annual Report filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to this Disclosure Certificate modifying the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Listed Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Fiscal Agent Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save harmless the Dissemination Agent, its officers, directors, employees and agents (each, an "Indemnified Party"), against any loss, expense and liability which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the reasonable costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding losses, liabilities, costs and expenses due to an Indemnified Party's negligence, willful misconduct or failure to perform its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder, and shall not be deemed to be acting in any fiduciary capacity for the City, the holders and beneficial owners from time to time of the Bonds or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all reasonable and documented expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

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

CITY OF ROSEVILLE, for and on behalf of
City of Roseville Fiddymont Ranch
Community Facilities District No. 5 (Public
Facilities)

By: _____
Authorized Officer

WILLDAN FINANCIAL SERVICES, as
Dissemination Agent

By: _____
Authorized Officer

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Roseville

Name of Bond Issue: \$16,630,000 City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities) Special Tax Bonds, Series 2019

Date of Issuance: October 3, 2019

NOTICE IS HEREBY GIVEN that the City of Roseville (the "City"), on behalf of City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities), has not provided an Annual Report with respect to the above-named Bonds as required by the Fiscal Agent Agreement dated as of June 1, 2017, as supplemented and amended by the First Supplemental Fiscal Agent Agreement, dated as of _____ 1, 2019 (together, the "Fiscal Agent Agreement") by and between the City and The Bank of New York Mellon Trust Company, N.A., as Fiscal Agent. The City anticipates that the Annual Report will be filed by _____.

Dated: _____

[Dissemination Agent]

By: _____
Authorized Officer

cc: City of Roseville

[OWNER UNDERTAKING]

\$16,630,000
CITY OF ROSEVILLE
FIDDYMENT RANCH COMMUNITY FACILITIES DISTRICT NO. 5 (PUBLIC FACILITIES)
SPECIAL TAX BONDS
SERIES 2019

This CONTINUING DISCLOSURE CERTIFICATE (this “Disclosure Certificate”) dated as of October 1, 2019, is executed and delivered by ATC Realty One, LLC, a Delaware limited liability company (the “Owner”) in connection with the execution and delivery by the City of Roseville, for and on behalf of the City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities) (the “District”), of its City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities) Special Tax Bonds, Series 2019 (the “Bonds”). The Bonds are being executed and delivered pursuant to a Fiscal Agent Agreement, dated as of June 1, 2017, as supplemented and amended by a Supplemental Agreement No. 1 to Fiscal Agent Agreement, dated as of October 1, 2019 (together, the “Fiscal Agent Agreement”), by and between the City and The Bank of New York Mellon Trust Company, N.A., as fiscal agent (the “Fiscal Agent”).

The Owner covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Owner for the benefit of the holders and beneficial owners of the Bonds.

Section 2. Definitions. In addition to the definitions set forth above and in the Fiscal Agent Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined herein, the following capitalized terms shall have the following meanings:

“Affiliate” of another Person means (a) a Person directly or indirectly owning, controlling, or holding with power to vote, 5% or more of the outstanding voting securities of such other Person, (b) any Person, 5% or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by such other Person, and (c) any Person directly or indirectly controlling, controlled by, or under common control with, such other Person. For purposes hereof, control means the power to exercise a controlling influence over the management or policies of a Person, unless such power is solely the result of an official position with such Person.

“Assumption Agreement” means an undertaking of a Major Owner, or an Affiliate thereof, for the benefit of the holders and beneficial owners of the Bonds containing terms substantially similar to this Disclosure Certificate (as modified for such Major Owner’s development and financing plans with respect to the District), whereby such Major Owner or Affiliate agrees to provide periodic reports and notices of significant events, setting forth the information described in sections 4 and 5 hereof, respectively, with respect to the portion of the property in the District owned by such Major Owner and its Affiliates and, at the option of the Owner or such Major Owner, agrees to indemnify the Dissemination Agent (if any) pursuant to a provision substantially in the form of Section 11 hereof.

“Dissemination Agent” means, initially, Willdan Financial Services, or any successor Dissemination Agent designated in writing by the Owner, and which has filed with the Owner, the

City and the Fiscal Agent a written acceptance of such designation, and which is experienced in providing dissemination agent services such as those required under this Disclosure Certificate.

“Listed Events” means any of the events listed in Section 5(a) of this Disclosure Certificate.

“Major Owner” means, as of any Report Date, an owner of land in the District that is responsible in the aggregate for 20% or more of the Special Taxes in the District anticipated to be levied at any time during the then-current Fiscal Year.

“MSRB” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“Official Statement” means the final official statement executed by the City in connection with the issuance of the Bonds.

“Participating Underwriter” means Stifel, Nicolaus & Company, Incorporated, as the original underwriter of the Bonds.

“Periodic Report” means any Periodic Report provided by the Owner pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Person” means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof.

“Property” means, as of the applicable Report Date, the property owned by the Owner in the District.

“Report Date” means April 1 and October 1 of each Fiscal Year.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“Special Taxes” means the special taxes of the District levied on taxable property within the District.

Section 3. Provision of Periodic Reports.

(a) The Owner shall, or, upon written direction of the Owner, the Dissemination Agent shall, not later than the Report Date, commencing April 1, 2020, file or cause to be filed with the MSRB a Periodic Report which is consistent with the requirements of Section 4 of this Disclosure Certificate with a copy to the Fiscal Agent (if different from the Dissemination Agent), the Participating Underwriter and the City. Not later than 15 calendar days prior to the Report Date, the Owner shall provide the Periodic Report to the Dissemination Agent (if different from the Owner). The Owner shall provide a written certification with (or included as a part of) each Periodic Report furnished to the Dissemination Agent (if different from the Owner), the Fiscal Agent (if different from the Dissemination Agent), the Participating Underwriter and the City to the effect that such Periodic Report constitutes the Periodic Report required to be furnished by it under this

Disclosure Certificate. The Dissemination Agent, the Fiscal Agent, the Participating Underwriter and the City may conclusively rely upon such certification of the Owner and shall have no duty or obligation to review the Periodic Report. The Periodic Report may be submitted as a single document or as separate documents comprising a package, and may incorporate by reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the Dissemination Agent does not receive a Periodic Report by 15 calendar days prior to the Report Date, the Dissemination Agent shall send a reminder notice to the Owner that the Periodic Report has not been provided as required under Section 3(a) above. The reminder notice shall instruct the Owner to determine whether its obligations under this Disclosure Certificate have terminated (pursuant to Section 6 below) and, if so, to provide the Dissemination Agent with a notice of such termination in the same manner as for a Listed Event (pursuant to Section 5 below). If the Owner does not provide, or cause the Dissemination Agent to provide, a Periodic Report to the MSRB by the Report Date as required in subsection (a) above, the Dissemination Agent shall send a notice to the MSRB in substantially the form attached hereto as Exhibit A, with a copy to the Fiscal Agent (if other than the Dissemination Agent), the City and the Participating Underwriter.

(c) With respect to the Periodic Report, the Dissemination Agent shall, to the extent the Periodic Report has been furnished to it, file the Periodic Report with the MSRB and file a report with the Owner (if the Dissemination Agent is other than the Owner), the City and the Participating Underwriter certifying that the Periodic Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided to and filed with the MSRB.

Section 4. Content of Periodic Reports. The Owner's Periodic Report shall contain or incorporate by reference the information set forth in Exhibit B relating to the Owner or relating to any Major Owner that has acquired any of the Property owned by the Owner and has not signed an Assumption Agreement, any or all of which may be included by specific reference to other documents, including official statements of debt issues of the Owner or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The Owner shall clearly identify each such other document so included by reference.

In addition to any of the information expressly required to be provided in Exhibit B, the Owner's Periodic Report shall include such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Section 5. Reporting of Listed Events.

(a) The Owner shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to itself or the Property, if material:

(i) bankruptcy or insolvency proceedings commenced by or against the Owner and, if known, any bankruptcy or insolvency proceedings commenced by or against any Affiliate of the Owner that is reasonably likely to have a significant

impact on the Owner's ability to pay Special Taxes or to sell or manage the Property;

(ii) failure to pay any taxes, special taxes (including the Special Taxes) or assessments due with respect to the Property on or prior to the delinquency date;

(iii) filing of a lawsuit of which the Owner is aware against the Owner or an Affiliate seeking damages, which is reasonably likely to have a material and adverse impact on the Owner's ability to pay Special Taxes prior to delinquency or to sell or manage the Property;

(iv) material damage to or destruction of any of the improvements on the Property; and

(v) any payment default or other material default by the Owner, beyond any applicable notice and cure periods, on any loan with respect to the construction of improvements on the Property.

(b) Whenever the Owner obtains knowledge of the occurrence of a Listed Event, the Owner shall as soon as practicable determine if such event would be material under applicable federal securities laws.

(c) If the Owner determines that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Owner shall, or shall cause the Dissemination Agent to, promptly file a notice of such occurrence with the MSRB, with a copy to the Fiscal Agent, the City and the Participating Underwriter.

Section 6. Duration of Reporting Obligation.

(a) All the Owner's obligations hereunder shall commence on the date hereof and terminate (except as provided in Section 11) on the earliest to occur of the following:

(i) upon the legal defeasance, prior redemption or payment in full of all the Bonds;

(ii) at such time as property owned by the Owner is no longer responsible for payment of 20% or more of the Special Taxes;

(iii) the date on which the Owner prepays, in full, all of the Special Taxes attributable to the Property; or

(iv) the date on which (A) the Owner has completed construction of all buildings to be constructed within property it owns in the District and (B) each such building constructed by the Owner and intended for lease by the Owner has been, since completion of construction, at least 80% occupied at one time or another.

The Owner shall give notice of the termination of its obligations under this Disclosure Certificate in the same manner as for a Listed Event under Section 5.

(b) If a portion of the Property owned by the Owner, or any Affiliate of the Owner, is conveyed to a Person that, upon such conveyance, will be a Major Owner, the obligations of the Owner hereunder with respect to the property in the District owned by such Major Owner and its Affiliates may be assumed by such Major Owner or by an Affiliate thereof, and if so assumed the Owner's obligations hereunder with respect to such portion of the Property will be terminated. In order to effect such an assumption, such Major Owner or Affiliate shall enter into an Assumption Agreement in form and substance reasonably satisfactory to the City and the Participating Underwriter; provided, however, a Major Owner shall not be required to enter into a new Assumption Agreement if such Major Owner already party to a disclosure certificate with respect to the Bonds and under which the property conveyed to such Major Owner will become subject to future semi-annual reports. Except as set forth in the immediately preceding sentence, if not so assumed, the Owner shall report the information, as applicable to the transferee, required herein so long as the transferee is a Major Owner.

Section 7. Dissemination Agent. The Owner may, from time to time, appoint or engage a Dissemination Agent to assist the Owner in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign by providing thirty days' written notice to the City, the Owner and the Fiscal Agent. The initial Dissemination Agent shall be Willdan Financial Services.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Owner may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied (provided, however, that the Dissemination Agent shall not be obligated under any such amendment that modifies or increases its duties or obligations hereunder without its written consent thereto):

(a) if the amendment or waiver relates to the provisions of sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted; and

(b) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Fiscal Agent Agreement with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Owner from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Periodic Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Owner chooses to include any information in any Periodic Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Owner shall have no obligation under this Disclosure Certificate to update such information or include it in any future Periodic Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Owner to comply with any provision of this Disclosure Certificate, the Fiscal Agent shall (upon written direction and only to the extent indemnified to its satisfaction from any liability, cost or expense, including fees and expenses of

its attorneys), and the Participating Underwriter and any holder or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Owner to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Fiscal Agent Agreement, and the sole and exclusive remedy under this Disclosure Certificate in the event of any failure of the Owner to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Owner agrees to indemnify and save harmless the Dissemination Agent, its officers, directors, employees and agents (each, an "Indemnified Party"), against any loss, expense and liability which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the reasonable costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding losses, liabilities, costs and expenses due to an Indemnified Party's negligence, willful misconduct or failure to perform its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the Owner hereunder, and shall not be deemed to be acting in any fiduciary capacity for the Owner, the holders and beneficial owners from time to time of the Bonds or any other party. The obligations of the Owner under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by or on behalf of the Owner for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all reasonable and documented expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 12. Notices. Any notice or communications to be among any of the parties to this Disclosure Certificate may be given as follows:

To the Owner:	ATC Realty One, LLC 333 Market Street, 17th Floor San Francisco, CA 94105 Attn: _____
To the Dissemination Agent:	Willdan Financial Services 27368 Via Industria, Suite 200 Temecula, CA 92590 Attn: _____
To the City or District:	City of Roseville 311 Vernon Street Roseville, CA 95678 Attn: CFD Administrator

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Owner (its successors and assigns), the Fiscal Agent, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. All obligations of the Owner hereunder shall be assumed by any legal successor to the obligations of the Owner as a result of a sale, merger, consolidation or other reorganization.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

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

ATC REALTY ONE, a Delaware limited liability company

By: _____
Authorized Officer

DISSEMINATION AGENT:

Willdan Financial Services

By: _____
Authorized Officer

EXHIBIT A

NOTICE OF FAILURE TO FILE PERIODIC REPORT

Name of Issuer: City of Roseville

Name of Bond Issue: \$16,630,000 City of Roseville, Fiddymment Ranch Community Facilities District No. 5 (Public Facilities), Special Tax Bonds, Series 2019

Date of Issuance: October 3, 2019

NOTICE IS HEREBY GIVEN that _____ (the "Owner") has not provided a Periodic Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate of the Owner dated as of _____, 2019. The Owner anticipates that the Periodic Report will be filed by _____.

Dated: _____

[Dissemination Agent]

By: _____

Its: _____

cc: Owner, City of Roseville

EXHIBIT B

PERIODIC REPORT

This Periodic Report is hereby submitted under Section 4 of the Continuing Disclosure Certificate (the "Disclosure Certificate") dated _____, 2019 executed by the undersigned (the "Owner") in connection with the issuance by the City of Roseville (the "City"), for and on behalf of the City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities) (the "District"), of its City of Roseville Fiddymment Ranch Community Facilities District No. 5 (Public Facilities), Special Tax Bonds, Series 2019 (the "Bonds").

Capitalized terms used in this Periodic Report but not otherwise defined have the meanings given to them in the Disclosure Certificate.

I. Property Ownership and Development

The information in this section is provided as of _____ (this date must be not more than 60 days before the date of this Periodic Report).

A. Property currently owned by the Owner in the District (the "Property"):

Development name: _____

Number of lots (acreage): _____

B. Status of land ownership or construction activities:

C. Status of building permits and any significant amendments to land use or development entitlements:

D. Aggregate property sold, optioned or leased by the Owner to end users or merchant builders:

Since the Date of Issuance of
the Bonds

Since the Last Periodic
Report

Acres* _____
Lots _____
Bldg. Sq. Ft. _____

Acres* _____
Lots _____
Bldg. Sq. Ft. _____

* For bulk land sales only (excluding sales of finished lots or completed buildings).

E. Status of any land purchase contracts with regard to the Property, whether acquisition of land in the District by the Owner or sales of land in the District to other property

owners, distinguishing between (i) end users (e.g., condominiums), (ii) developers and (iii) merchant builders.

F. With respect to occupied buildings owned and leased by the Owner, (i) occupancy percentage and (ii) a rent roll consisting solely of (A) term of lease and (B) number of square feet subject to the lease.

II. Legal and Financial Status of the Owner

Unless such information has previously been included or incorporated by reference in a Periodic Report, describe any change in the legal structure of the Owner or the financial condition and financing plan of the Owner that would materially and adversely interfere with its ability to complete its development plan described in the Official Statement.

III. Change in Management or Financing Plans

Unless such information has previously been included or incorporated by reference in a Periodic Report, describe any management plans or financing plans relating to the Property *that are materially different from* the proposed development and financing plan described in the Official Statement.

IV. Official Statement Updates

Unless such information has previously been included or incorporated by reference in a Periodic Report, describe any other significant changes in the information relating to the Owner or the Property contained in the Official Statement under the heading "OWNERSHIP OF PROPERTY WITHIN THE DISTRICT" that would materially and adversely interfere with the Owner's ability to develop and sell the Property as described in the Official Statement.

V. Other Material Information

In addition to any of the information expressly required above, provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Certification

The undersigned Owner hereby certifies that this Periodic Report constitutes the Periodic Report required to be furnished by the Owner under the Disclosure Certificate.

ANY STATEMENTS REGARDING OWNER, THE DEVELOPMENT OF THE PROPERTY, OWNER'S FINANCING PLAN OR FINANCIAL CONDITION, OR THE BONDS, OTHER THAN STATEMENTS MADE BY ATC REALTY ONE IN AN OFFICIAL RELEASE, OR FILED WITH THE MUNICIPAL SECURITIES RULEMAKING BOARD, ARE NOT AUTHORIZED BY OWNER. OWNER IS NOT RESPONSIBLE FOR THE ACCURACY, COMPLETENESS OR FAIRNESS OF ANY SUCH UNAUTHORIZED STATEMENTS.

OWNER HAS NO OBLIGATION TO UPDATE THIS PERIODIC REPORT OTHER THAN AS EXPRESSLY PROVIDED IN THE DISCLOSURE CERTIFICATE.

Dated: _____

By: _____

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APPENDIX F

SUMMARY OF CERTAIN PROVISIONS OF FISCAL AGENT AGREEMENT

Certain definitions and provisions of the Fiscal Agent Agreement not otherwise defined or summarized in the main body of the Official Statement are set forth below. *This summary of certain provisions of the Fiscal Agent Agreement is a summary only and does not purport to be a complete statement of the contents thereof. Reference is made to the Fiscal Agent Agreement, available at the Principal Office of the Fiscal Agent, for the complete terms thereof.*

Definitions

“2019 Costs of Issuance” means items of expense payable or reimbursable directly or indirectly by the City and related to the authorization, sale and issuance of the 2019 Bonds, which items of expense shall include, but not be limited to, printing costs, costs of reproducing and binding documents, closing costs, filing and recording fees, initial fees, expenses and charges of the Fiscal Agent including its first annual administration fee, expenses incurred by the City in connection with the issuance of the 2019 Bonds, financial advisor fees, 2019 Bond (underwriter's) discount or underwriting fee, legal fees and charges, including bond counsel, disclosure counsel, charges for execution, transportation and safekeeping of the 2019 Bonds and other costs, charges and fees in connection with the foregoing.

“Additional Bonds” means any series of bonds other than the 2017 Bonds issued pursuant to the Agreement.

“Administrative Expenses” means any or all of the following: the fees and expenses of the Fiscal Agent (including any fees or expenses of its counsel), the expenses of the City in carrying out its duties hereunder (including, but not limited to, the levying and collection of the Special Taxes, and the foreclosure of the liens of delinquent Special Taxes) including the fees and expenses of its counsel, an allocable share of the salaries of City staff directly related thereto and a proportionate amount of City general administrative overhead related thereto, any amounts paid by the City from its general funds pursuant to the Agreement, and all other costs and expenses of the City or the Fiscal Agent incurred in connection with the issuance and administration of the Bonds and/or the discharge of their respective duties hereunder (including, but not limited to, the calculation of the levy of the Special Taxes, foreclosures with respect to delinquent taxes, and the calculation of amounts subject to rebate to the United States) and, in the case of the City, in any way related to the administration of the District. Administrative Expenses shall include any such expenses incurred in prior years but not yet paid, and any advances of funds by the City under the Agreement.

“Agreement” means the Fiscal Agent Agreement, dated as of June 1, 2017, related to the Bonds, as it may be amended or supplemented from time to time by any Supplemental Agreement.

“Annual Debt Service” means, for each Bond Year and each Series of Outstanding Bonds, the sum of (i) the interest due on the respective Series of Outstanding Bonds in such Bond Year, assuming that such Outstanding Bonds are retired as scheduled, and (ii) the principal amount of the respective Series of Outstanding Bonds, including any mandatory sinking fund payments, due in such Bond Year.

“Authorized Officer” means the City Manager, Treasurer, Chief Financial Officer, Finance Director, City Attorney or any other officer or employee authorized by the City Council of the City or by an Authorized Officer to undertake the action referenced in the Agreement as required to be undertaken by an Authorized Officer.

“Bond Counsel” means any attorney or firm of attorneys acceptable to the City and nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

“Bond Fund” means the fund by that name established pursuant to the Agreement.

“Bond Year” means each twelve-month period beginning on September 2 in any year and extending to the next succeeding September 1, both dates inclusive; except that the first Bond Year shall begin on the Closing Date and end on September 1, 2017.

“Bonds” means the 2017 Bonds and any Additional Bonds.

“Business Day” means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in the state in which the Principal Office of the Fiscal Agent is located are authorized or obligated by law or executive order to be closed.

“CDIAC” means the California Debt and Investment Advisory Commission of the office of the State Treasurer of the State of California or any successor agency or bureau thereto.

“Closing Date” means with respect to each series of Bonds, the date upon which there is a physical delivery of the Bonds in exchange for the amount representing the purchase price of the Bonds by the Original Purchaser thereof.

“Code” means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

“Cost of Issuance” means items of expense payable or reimbursable directly or indirectly by the City and related to the authorization, sale and issuance of the Bonds, which items of expense shall include, but not be limited to, printing costs, costs of reproducing and binding documents, closing costs, filing and recording fees, initial fees, expenses and charges of the Fiscal Agent, including its first annual administration fee, and expenses and fees of counsel to the Fiscal Agent, expenses incurred by the City in connection with the issuance of the Bonds, financial advisor fees, Bond (underwriter’s) discount or underwriting fee, legal fees and charges, including bond counsel, charges for execution, transportation and safekeeping of the Bonds and other costs, charges and fees in connection with the foregoing.

“Costs of Issuance Fund” means the fund by that name established pursuant to the Agreement.

“DTC” means the Depository Trust Company, New York, New York, and its successors and assigns.

“Debt Service” means the scheduled amount of interest and amortization of principal payable on the Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

“Depository” means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to the Agreement.

“District” means the City of Roseville Fiddymont Ranch Community Facilities District No. 5 (Public Facilities) formed pursuant to the Resolution of Formation.

“Fair Market Value” means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm’s length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security—State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) the investment is the Local Agency Investment Fund of the State of California, but only if at all times during which the investment is held its yield is reasonably expected to be equal to or greater than the yield on a reasonably comparable direct obligation of the United States.

“Federal Securities” means any of the following which are non-callable and which at the time of investment are legal investments under the laws of the State of California for funds held by the Fiscal Agent (the Fiscal Agent entitled to rely upon investment direction from the City as a certification that such investment constitutes a legal investment).

(i) Direct general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the United States Department of the Treasury) and obligations, the payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America, including, without limitation, such of the foregoing which are commonly referred to as “stripped” obligations and coupons; or

(ii) Any of the following obligations of the following agencies of the United States of America: (a) direct obligations of the Export-Import Bank, (b) certificates of beneficial ownership issued by the Farmers Home Administration, (c) participation certificates issued by the General Services Administration, (d) mortgage-backed bonds or passthrough obligations issued and guaranteed by the Government National Mortgage Association, (e) project notes issued by the United States Department of Housing and Urban Development, and (f) public housing notes and bonds guaranteed by the United States of America.

“Finance Director” means the duly acting Finance Director of the City, or if the City has no Finance Director, such officer of the City serving a similar role.

"Fiscal Agent" means the Fiscal Agent appointed by the City and acting as an independent fiscal agent with the duties and powers herein provided, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in the Agreement.

"Fiscal Year" means the twelve-month period extending from July 1 in a calendar year to June 30 of the succeeding year, both dates inclusive.

"Improvement Fund" means the fund by that name established pursuant to the Agreement.

"Information Services" means "EMMA" or the "Electronic Municipal Market Access" system of the Municipal Securities Rulemaking Board; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the City may designate in an Officer's Certificate delivered to the Fiscal Agent.

"Maximum Annual Debt Service" means, for each Series of Outstanding Bonds, the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of the respective Series of Outstanding Bonds.

"Officer's Certificate" means a written certificate of the City signed by an Authorized Officer of the City.

"Ordinance" means any ordinance of the City levying the Special Taxes.

"Original Purchaser" means the first purchaser of the Bonds from the City.

"Outstanding," when used as of any particular time with reference to Bonds, means (subject to the provisions of the Agreement) all Bonds except (i) Bonds theretofore canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation; (ii) Bonds paid or deemed to have been paid within the meaning of the Agreement; and (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the City pursuant to the Agreement or any Supplemental Agreement.

"Owner" or *"Bondowner"* means any person who shall be the registered owner of any Outstanding Bond.

"Participating Underwriter" shall have the meaning ascribed thereto in the Continuing Disclosure Certificate.

"Permitted Investments" means any of the following, to the extent that they are lawful investments for City funds at the time of investment, and are acquired at Fair Market Value (the Fiscal Agent is entitled to rely upon investment direction from the City as a certification that such investment constitutes a legal investment):

- (i) Federal Securities;
- (ii) any of following obligations of federal agencies not guaranteed by the United States of America: (a) debentures issued by the Federal Housing Administration; (b) participation certificates or senior debt obligations of the Federal Home Loan Mortgage

Corporation or Farm Credit Banks (consisting of Federal Land Banks, Federal Intermediate Credit Banks or Banks for Cooperatives); (c) bonds or debentures of the Federal Home Loan Bank Board established under the Federal Home Loan Bank Act, bonds of any federal home loan bank established under said act and stocks, bonds, debentures, participations and other obligations of or issued by the Federal National Mortgage Association, the Student Loan Marketing Association, the Government National Mortgage Association and the Federal Home Loan Mortgage Corporation; and (d) bonds, notes or other obligations issued or assumed by the International Bank for Reconstruction and Development;

(iii) interest-bearing demand or time deposits (including certificates of deposit) in federal or State of California chartered banks (including the Fiscal Agent and its affiliates), provided that (a) in the case of a savings and loan association, such demand or time deposits shall be fully insured by the Federal Deposit Insurance Corporation, or the unsecured obligations of such savings and loan association shall be rated in one of the top two rating categories by a nationally recognized rating service, and (b) in the case of a bank, such demand or time deposits shall be fully insured by the Federal Deposit Insurance Corporation, or the unsecured obligations of such bank (or the unsecured obligations of the parent bank holding company of which such bank is the lead bank) shall be rated in one of the top two rating categories by a nationally recognized rating service;

(iv) repurchase agreements with a registered broker/dealer subject to the Securities Investors Protection Corporation Liquidation in the event of insolvency, or any commercial bank provided that: (a) the unsecured obligations of such bank shall be rated in one of the top two rating categories by a nationally recognized rating service, or such bank shall be the lead bank of a banking holding company whose unsecured obligations are rated in one of the top two rating categories by a nationally recognized rating service; (b) the most recent reported combined capital, surplus and undivided profits of such bank shall be not less than \$100 million; (c) the repurchase obligation under any such repurchase obligation shall be required to be performed in not more than thirty (30) days; (d) the entity holding such securities as described in clause (c) shall have a pledged first security interest therein for the benefit of the Fiscal Agent under the California Commercial Code or pursuant to the book-entry procedures described by 31 C.F.R. 306.1 *et seq.* or 31 C.F.R. 350.0 *et seq.* and are rated in one of the top two rating categories by a nationally recognized rating service;

(v) bankers acceptances endorsed and guaranteed by banks described in clause (iv) above;

(vi) obligations, the interest on which is exempt from federal income taxation under Section 103 of the Code and which are rated in one of the top two rating categories by a nationally recognized rating service;

(vii) money market funds which invest solely in Federal Securities or in obligations described in the preceding clause (ii) of this definition, or money market funds which are rated in the highest rating category by Standard & Poor's Ratings Services or Moody's Investor Service, including such funds for which the Fiscal Agent, its affiliates or subsidiaries provide investment advisory or other management services or for which the Fiscal Agent or an affiliate of the Fiscal Agent serves as investment administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (a) the Fiscal Agent or an affiliate of the Fiscal Agent receives and retains a fee for services provided to the fund, (b) the Fiscal Agent collects fees for services rendered pursuant to the Agreement, which fees are separate from the fees received from such funds, and (c) services performed for such funds and pursuant to the

Agreement may at times duplicate those provided to such funds by the Fiscal Agent or an affiliate of the Fiscal Agent;

(viii) units of a taxable government money market portfolio comprised solely of obligations listed in (i) and (iv) above, such funds for which the Fiscal Agent, its affiliates or subsidiaries provide investment advisory or other management services or for which the Fiscal Agent or an affiliate of the Fiscal Agent serves as investment administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (a) the Fiscal Agent or an affiliate of the Fiscal Agent receives and retains a fee for services provided to the fund, (b) the Fiscal Agent collects fees for services rendered pursuant to the Agreement, which fees are separate from the fees received from such funds, and (c) services performed for such funds and pursuant to the Agreement may at times duplicate those provided to such funds by the Fiscal Agent or an affiliate of the Fiscal Agent;

(ix) any investment which is a legal investment for proceeds of the Bonds at the time of the execution of such agreement, and which investment is made pursuant to an agreement between the City or the Fiscal Agent or any successor Fiscal Agent and a financial institution or governmental body whose long term debt obligations are rated in one of the top two rating categories by a nationally recognized rating service;

(x) commercial paper which at the time of purchase is of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, or Standard and Poor's Corporation, of issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars (\$500,000,000) and having an "AA" or higher rating for the issuer's debentures, other than commercial paper, as provided for by Moody's Investors Service or Standard and Poor's Corporation, and provided that purchases of eligible commercial paper may not exceed 180 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation;

(xi) any general obligation of a bank or insurance company whose long term debt obligations are rated in one of the two highest rating categories of a national rating service;

(xii) shares in a common law trust established pursuant to Title 1, Division 7, Charter 5 of the Government Code of the State which invests exclusively in investments permitted by Section 53635 of Title 5, Division 2, Chapter 4 of the Government Code of the State, as it may be amended;

(xiii) shares in the California Asset Management Program; or

(xiii) the Local Agency Investment Fund established pursuant to Section 16429.1 of the Government Code of the State of California, *provided, however*, that the Fiscal Agent shall be permitted to make investments and withdrawals in its own name and the Fiscal Agent may restrict investments in the such fund if necessary to keep moneys available for the purposes of this Fiscal Agent Agreement.

(xiv) any other lawful investment for City funds.

"Prepayment" means moneys received by the City from the prepayment of Special Taxes as provided in the "Rate, Method of Apportionment, and Manner of Collection of Special Tax" applicable to the District.

“Prepayment Account” means the account within the Bond Fund by that name established pursuant to the Agreement.

“Principal Office” means the corporate trust office of the Fiscal Agent set forth in the Agreement, or such other or additional offices as may be designated by the Fiscal Agent.

“Project” means the acquisitions and improvements described in the Resolution of Formation, including Administrative Expenses related thereto.

“Qualified Reserve Fund Credit Instrument” means an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company and deposited with the Fiscal Agent pursuant to the Agreement, provided that all of the following requirements are met: (a) the long-term credit rating of such bank or insurance company is rated in the “AA” category (without regard to modifier) or higher by S&P or Moody’s at the time of issuance; (b) such letter of credit or surety bond has a term of at least twelve (12) months; (c) such letter of credit or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released pursuant to the Agreement; and (d) the Fiscal Agent is authorized pursuant to the terms of such letter of credit or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Bond Fund for the purpose of making payments required pursuant to the Agreement.

“Record Date” means the fifteenth (15th) day of the month next preceding the month of the applicable Interest Payment Date whether or not such day is a Business Day.

“Regulations” means temporary and permanent regulations promulgated under the Code.

“Reserve Fund” means the fund by that name established pursuant to the Agreement.

“Reserve Requirement” means an amount equal to the lesser of (a) Maximum Annual Debt Service on the respective Outstanding Bonds covered by the Reserve Fund, (b) 125% of the average Annual Debt Service on the respective Outstanding Bonds covered by the Reserve Fund, as calculated at the time of issuance thereof, or (c) ten percent (10%) of the original principal amount of the respective Bonds covered by the Reserve Fund (or the issue price of the respective Bonds excluding accrued interest, if the net original issue discount or premium is less than 98% or more than 102% of the principal amount of the respective Bonds), as calculated by the City; provided, that (1) in no event shall the City, in connection with the issuance of Additional Bonds covered by the Reserve Fund pursuant to a Supplemental Agreement be obligated to deposit an amount in the Reserve Fund which is in excess of the amount permitted by the applicable provisions of the Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, in the event the amount of any such deposit into the Reserve Fund is so limited, the Reserve Requirement shall, in connection with the issuance of such Additional Bonds, be increased only by the amount of such deposit as permitted by the Code, and (2) the District may meet all or a portion of the Reserve Requirement by depositing a Qualified Reserve Fund Credit Instrument in the Reserve Fund in accordance with the Agreement.

“Resolution of Formation” means Resolution No. 16-84, adopted by the City Council of the City on March 16, 2017, establishing the District for the purpose of providing for the financing of certain public facilities in and for such District.

“Securities Depositories” means The Depository Trust Company, New York, New York; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the City may designate in an Officer’s Certificate delivered to the Fiscal Agent.

“Series” means a series of Bonds issued under this Fiscal Agent Agreement.

“Special Tax Fund” means the fund by that name established by the Agreement.

“Special Tax Revenues” means the proceeds of the Special Taxes received by the City, including all scheduled payments and delinquent payments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes, net of the administration charge of the County (currently 1%).

“Special Taxes” means the special taxes levied within the District pursuant to the Act, the Ordinance and the Agreement.

“Supplemental Agreement” means an agreement the execution of which is authorized by a resolution which has been duly adopted by the City under the Act and which agreement is amendatory of or supplemental to the Agreement, but only if and to the extent that such agreement is specifically authorized hereunder.

“Treasurer” means the duly acting Treasurer of the City, or if the City has no Treasurer, the Chief Financial Officer, the Finance Director or other officer of the City serving a similar role.

2019 Costs of Issuance Fund

There is established a separate fund to be known as the “2019 Costs of Issuance Fund”, which shall be held by the Fiscal Agent in trust. Amounts in the Costs of Issuance Fund shall be disbursed from time to time to pay 2019 Costs of Issuance, as set forth in an Officer’s Certificate containing respective amounts to be paid to the designated payees, signed by an Authorized Officer and delivered to the Fiscal Agent. The Fiscal Agent shall pay all 2019 Costs of Issuance upon receipt of an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee in such Officer’s Certificate, or upon receipt of an Officer’s Certificate requesting payment of a 2019 Costs of Issuance not listed on the initial Officer’s Certificate delivered to the Fiscal Agent on the Closing Date. The Fiscal Agent shall maintain the 2019 Costs of Issuance Fund until February 1, 2020, and shall transfer any moneys remaining therein on such date, including any investment earnings thereon, to the 2019 Improvement Account. Thereafter, every invoice received by the Fiscal Agent shall be paid from amounts on deposit in the 2019 Improvement Account and the Fiscal Agent shall close the 2019 Costs of Issuance Fund. Moneys in the 2019 Costs of Issuance Fund shall be invested and deposited in accordance with the Agreement. Interest earnings and profits resulting from said investment shall be retained by the Fiscal Agent in the 2019 Costs of Issuance Fund to be used for the purposes of such fund.

Certain Covenants of the City

Punctual Payment. The City will punctually pay or cause to be paid the principal of, and interest and any premium on, the Bonds when and as due in strict conformity with the terms of the Agreement, and it will faithfully observe and perform all of the conditions covenants and requirements of the Agreement and all Supplemental Agreements and of the Bonds.

Limited Obligation. The Bonds are limited obligations of the City on behalf of the District and are payable solely from and secured solely by the Special Tax Revenues and the amounts in certain funds created hereunder as, and to the extent, set forth in the Agreement.

Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the City shall not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Bonds and shall not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the City, such claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of the Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Against Encumbrances. The City will not encumber, pledge or place any charge or lien upon any of the Special Tax Revenues or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien herein created for the benefit of the Bonds, except as permitted by the Agreement.

Books and Accounts. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries will be made of all transactions relating to the expenditure of amounts disbursed from the Special Tax Fund and to the Special Tax Revenues. Such books of record and accounts will at all times during business hours be subject to the inspection of the Fiscal Agent and the Owners of not less than ten percent (10%) of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Protection of Security and Rights of Owners. The City will preserve and protect the security of the Bonds and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the delivery of any of the Bonds by the City, the Bonds will be incontestable by the City.

Compliance with Law; Completion of Project. The City will comply with all applicable provisions of the Act and the law in completing the acquisition and construction of the Project; provided that the City shall have no obligation to advance any funds to complete the Project in excess of the amounts available therefor in the Improvement Fund.

Private Activity Bond Limitation. The City will assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

Federal Guarantee Prohibition. The City will not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Collection of Special Tax Revenues. The City shall comply with all requirements of the Act so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of delinquent Special Taxes. On or within five (5) Business Days of each June 1, the Fiscal Agent shall provide the Treasurer and Finance Director with a notice stating the amount then on deposit in the Bond Fund and the Reserve Fund. The receipt of such notice by the Treasurer and Finance Director shall in no way affect the obligations of the Treasurer or Finance Director under the following two paragraphs. Upon receipt of such notice, the Treasurer and Finance Director shall communicate with each other and/or their designees to ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits during the preceding and then current year.

The City shall effect the levy of the Special Taxes each Fiscal Year in accordance with the Ordinance such that the computation of the levy is complete before the final date on which the County Auditor will accept the transmission of the Special Tax amounts for the parcels within the District for inclusion on the next secured real property tax roll. Upon the completion of the computation of the amounts of the levy, the City shall prepare or cause to be prepared, and shall transmit to the Finance Director, such data as the County Auditor requires to include the levy of the Special Taxes on the next secured real property tax roll.

The City shall fix and levy the amount of Special Taxes within the District required for the payment of principal of and interest on any outstanding Bonds of the District becoming due and payable during the ensuing Bond Year, including any necessary replenishment or expenditure of the Reserve Fund for the Bonds and an amount estimated to be sufficient to pay the Administrative Expenses during such year, all in accordance with the rate and method of apportionment of the Special Taxes for the District and the Ordinance. In any event, the Special Taxes so levied shall not exceed the authorized amounts as provided in the proceedings pursuant to the Resolution of Formation.

The Special Taxes shall be payable and be collected in the same manner and at the same time and in the same installment as the general taxes on real property are payable, and have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property. Notwithstanding the foregoing, the Special Taxes may be collected in such other manner as the City shall prescribe if necessary to pay the debt service on the Bonds.

No Arbitrage. The City shall not take, or permit or suffer to be taken by the Fiscal Agent or otherwise, any action with respect to the gross proceeds of the Bonds which if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and Regulations.

Maintenance of Tax-Exemption. The City will take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Bonds.

Investments; Disposition of Investment Proceeds

Deposit and Investment of Moneys in Funds. Subject in all respects to the provisions of the Agreement, moneys in any fund or account created or established by the Agreement and held by the Fiscal Agent, shall be invested by the Fiscal Agent in Permitted Investments, as directed pursuant to an Officer's Certificate filed with the Fiscal Agent at least two (2) Business Days in advance of the making of such investments. In the absence of any such Officer's Certificate, the Fiscal Agent shall invest any such moneys in Permitted Investments described in clause (vii) of the definition thereof which by their terms mature prior to the date on which such moneys are required to be paid out hereunder provided, however, that any such investment shall be made by the Fiscal Agent only if, prior to the date on which such investment is to be made, the Fiscal Agent shall have received an Officer's Certificate specifying a specific money market fund and, if no such Officer's Certificate is so received, the Fiscal Agent shall hold such moneys uninvested and notify the Treasurer or Finance Director that it is doing so until further direction is received from the Treasurer or Finance Director. Subject in all respects to the provisions of the Agreement, moneys in any fund or account created or established by the Agreement and held by the Treasurer shall be invested by the Treasurer in any lawful investments that the City may make, which by their terms mature prior to the date on which such moneys are required to be paid out hereunder. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account, subject, however, to the requirements of the Agreement for transfer of interest earnings and profits resulting from investment of amounts in funds and accounts.

The Fiscal Agent, Treasurer or Finance Director may act as principal or agent in the acquisition or disposition of any investment. Neither the Fiscal Agent, the Treasurer or the Finance Director shall incur any liability for losses arising from any investments made pursuant to this section. Any losses arising from any investments made pursuant to this section shall be offset against interest earnings and profits retained in the same fund.

Except as otherwise provided in the next sentence, all investments of amounts deposited in any fund or account created by or pursuant to the Agreement, or otherwise containing gross proceeds of the Bonds (within the meaning of Section 148 of the Code), shall be acquired, disposed of, and valued (as of the date that valuation is required by the Agreement or the Code) at Fair Market Value. Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code and (unless valuation is undertaken at least annually) investments in the Reserve Fund shall be valued by the City at their present value (within the meaning of Section 148 of the Code). For purposes of any Fair Market Value determination hereunder, the Fiscal Agent shall be entitled to conclusively rely on an Officer's Certificate of the City and shall be fully protected in relying thereon.

Investments in any and all funds and accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Fiscal Agent or the Treasurer hereunder, provided that the Fiscal Agent or the Treasurer, as applicable, shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in the Agreement.

The Fiscal Agent or the Treasurer, as applicable, shall sell or present for redemption, any investment security whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such

investment security is credited and neither the Fiscal Agent nor the Treasurer shall be liable or responsible for any loss resulting from the acquisition or disposition of such investment security in accordance herewith.

The City acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive brokerage confirmations of security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law. The Fiscal Agent will furnish the City periodic cash transaction statements which include detail for all investment transactions made by the Fiscal Agent hereunder.

Rebate of Excess Investment Earnings to the United States. The City covenants to calculate and rebate to the federal government, in accordance with the Regulations, excess investment earnings to the extent required by Section 148(f) of the Code. The City shall notify the Fiscal Agent of any amounts determined to be due to the federal government, and the Fiscal Agent shall, upon receipt of an Officer's Certificate of the City, withdraw such amounts from the Reserve Fund pursuant to the Agreement, and pay such amounts to the federal government as required by the Code and the Regulations. In the event of any shortfall in amounts available to make such payments under the Agreement, the Fiscal Agent shall notify the Finance Director in writing of the amount of the shortfall and the Finance Director shall make such payment from any amounts available in the Special Tax Fund. Any fees or expenses incurred by the Fiscal Agent or the City under or pursuant to this provision shall be Administrative Expenses. The Fiscal Agent may rely conclusively upon the City's determinations, calculations and certifications required by this section. The Fiscal Agent shall have no responsibility to independently make any calculation or determination or to review the City's calculations hereunder. In order to provide for the administration of this provision, the City may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the City may deem appropriate.

Limited Obligation. The City's obligations under the Agreement are limited obligations of the City on behalf of the District and are payable solely from and secured solely by the Special Tax Revenues and the amounts in the Special Tax Fund, the Bond Fund and the Reserve Fund created thereunder.

The Fiscal Agent

Appointment, Removal and Resignation of Fiscal Agent. The Bank of New York Mellon Trust Company, N.A., at its Principal Office, is appointed Fiscal Agent for the Bonds. The Fiscal Agent undertakes to perform such duties, and only such duties, as are specifically set forth in the Agreement, and no implied covenants or obligations will be read into the Agreement against the Fiscal Agent.

The City may remove the Fiscal Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor will be a bank, national banking association or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars (\$50,000,000) including, for such purpose, the combined capital and surplus of any parent holding company, and subject to supervision or examination by federal or state authority.

The Fiscal Agent may at any time resign by giving written notice to the City and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, the

City will promptly appoint a successor Fiscal Agent by an instrument in writing. Any resignation or removal of the Fiscal Agent will become effective upon acceptance of appointment by the successor Fiscal Agent.

If no appointment of a successor Fiscal Agent has been made within thirty (30) days after the Fiscal Agent has given to the City written notice or after a vacancy in the office of the Fiscal Agent will have occurred by reason of its inability to act, the Fiscal Agent or any Bondowner may apply to any court of competent jurisdiction to appoint a successor Fiscal Agent. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Fiscal Agent.

Liability of Fiscal Agent. The recitals of facts, covenants and agreements in the Agreement and in the Bonds contained will be taken as statements, covenants and agreements of the City, and the Fiscal Agent assumes no responsibility for the correctness of the same, or makes any representations as to the validity or sufficiency of the Agreement or of the Bonds, or will incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Fiscal Agent will not be liable in connection with the performance of its duties under the Agreement, except for its own negligence or willful default. The Fiscal Agent assumes no responsibility or liability for any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds. The Fiscal Agent has no liability regarding the use of the proceeds from the purchase of the Bonds deposited in funds held by the City.

Discharge of Agreement

If the City shall pay and discharge the entire indebtedness on all or any portion of the Bonds Outstanding in any one or more of the following ways:

(A) by well and truly paying or causing to be paid the principal of, and interest and any premium on, such Bonds Outstanding, as and when the same become due and payable;

(B) by depositing with the Fiscal Agent or other fiduciary, at or before maturity, money which, together with (in the event that all of the Bonds are to be defeased) the amounts then on deposit in the funds and accounts provided for in the Agreement, is fully sufficient to pay such Bonds Outstanding, including all principal, interest and redemption premiums; or

(C) by irrevocably depositing with the Fiscal Agent or other fiduciary, cash and Federal Securities in such amount as the City shall determine as confirmed by an independent certified public accountant will, together with the interest to accrue thereon and (in the event that all of the Bonds are to be defeased) moneys then on deposit in the fund and accounts provided for in the Agreement, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates;

and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption shall have been given as in the Agreement provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice, then, at the election of the City, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the

Special Taxes and other funds provided for in the Agreement and all other obligations of the City under the Agreement with respect to such Bonds Outstanding shall cease and terminate, except only the obligations of the City (i) related to maintenance of tax-exemption and (ii) to pay or cause to be paid to the Owners of the Bonds not so surrendered and paid all sums due thereon and all amounts owing to the Fiscal Agent pursuant to the Agreement; and thereafter Special Taxes shall not be payable to the Fiscal Agent. Notice of such election shall be filed with the Fiscal Agent. Any funds thereafter held by the Fiscal Agent upon payments of all fees and expenses of the Fiscal Agent, which are not required for said purpose, shall be paid over to the City.

Amendments

Amendments Permitted. The Agreement and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Agreement pursuant to the affirmative vote at a meeting of Owners, or with the written consent without a meeting, of the Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in the Agreement. No such modification or amendment shall (i) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation by the City of any pledge or lien upon the Special Taxes superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by the Act, the laws of the State of California or the Agreement), or reduce the percentage of Bonds required for the amendment hereof. No such amendment may modify any of the rights or obligations of the Fiscal Agent without its written consent.

The Agreement and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Agreement, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(A) to add to the covenants and agreements of the City in the Agreement contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(B) to make modifications not adversely affecting any outstanding series of Bonds of the City in any material respect;

(C) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in the Agreement, or in regard to questions arising under the Agreement, as the City and the Fiscal Agent may deem necessary or desirable, and which shall not adversely affect the rights of the Owners of the Bonds;

(D) to make such additions, deletions or modifications as may be necessary or desirable to assure compliance with Section 148 of the Code relating to required rebate of excess investment earnings to the United States or otherwise as may be necessary to assure exclusion from gross income for federal income tax purposes of interest on the Bonds or to conform with the Regulations.

No such amendment may modify any of the rights or obligations of the Fiscal Agent without its written consent.

Owners' Meetings. The City may at any time call a meeting of the Owners. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof and to fix and adopt rules and regulations for the conduct of said meeting.

Procedure for Amendment with Written Consent of Owners. The City and the Fiscal Agent may at any time enter into a Supplemental Agreement amending the provisions of the Bonds or of the Agreement or any Supplemental Agreement, to the extent that such amendment is permitted by the Agreement, to take effect when and as provided in the Agreement. A copy of such Supplemental Agreement, together with a request to Owners for their consent thereto, if such consent is required under the Agreement, shall be mailed by first class mail, by the Fiscal Agent to each Owner of Bonds Outstanding, but failure to mail copies of such Supplemental Agreement and request shall not affect the validity of the Supplemental Agreement when assented to as in the Agreement provided.

If consent of the Owners is required under the Agreement, such Supplemental Agreement shall not become effective unless there shall be filed with the Fiscal Agent the written consents of the Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding (exclusive of Bonds disqualified as provided in the Agreement) and a notice shall have been mailed as hereinafter in the Agreement provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by the Agreement. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Fiscal Agent prior to the date when the notice hereinafter in the Agreement provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the City shall mail a notice to the Owners in the manner hereinbefore provided in the Agreement for the mailing of the Supplemental Agreement, stating in substance that the Supplemental Agreement has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in the Agreement (but failure to mail copies of said notice shall not affect the validity of the Supplemental Agreement or consents thereto). Proof of the mailing of such notice shall be filed with the Fiscal Agent. A record, consisting of the papers required by the Agreement to be filed with the Fiscal Agent, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Agreement shall become effective upon the filing with the Fiscal Agent of the proof of mailing of such notice, and the Supplemental Agreement shall be deemed conclusively binding (except as otherwise herein above specifically provided in this Article) upon the City and the Owners of all Bonds at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty-day period.

Miscellaneous

Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument, which the Agreement may require or permit to be executed by Owners, may

be in one or more instruments of similar tenor, and will be executed by Owners in person or by their attorneys appointed in writing. Except as otherwise expressly provided in the Agreement, the fact and date of the execution by any Owner or his attorney of such request, consent, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Except as otherwise expressly provided in the Agreement, the ownership of registered Bonds and the amount, maturity, number and date of holding the same will be proved by the registry books. Any request, consent, declaration or other instrument or writing of the Owner of any Bond will bind all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Fiscal Agent in good faith and in accordance therewith.

Waiver of Personal Liability. No member, officer, agent or employee of the City will be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds; but nothing herein contained will relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Unclaimed Moneys. Anything contained in the Agreement to the contrary notwithstanding, any moneys held by the Fiscal Agent in trust for the payment and discharge of the principal of, and the interest and any premium on, the Bonds which remains unclaimed for two (2) years after the date when the payments of such principal, interest and premium have become payable, if such moneys was held by the Fiscal Agent at such date, will be repaid by the Fiscal Agent to the City as its absolute property free from any trust, and the Fiscal Agent will thereupon be released and discharged with respect thereto and the Bond Owners will look only to the City for the payment of the principal of, and interest and any premium on, such Bonds.

Conclusive Evidence of Regularity. Bonds issued pursuant to the Agreement will constitute conclusive evidence of the regularity of all proceedings under the Act relative to their issuance and the levy of the Special Taxes.

Payment on Business Day. In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to the Agreement is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no interest will accrue for the period from and after such date.

APPENDIX G

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds (herein, the "Securities") to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Securities and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the issuer of the Securities (the "Issuer") nor the trustee, fiscal agent or paying agent appointed with respect to the Securities (the "Agent") takes any responsibility for the information contained in this Appendix.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Securities, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Securities, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Securities, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC") will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned

subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as

possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

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