This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy them be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 10, 2026

NEW ISSUE – BOOK-ENTRY ONLY **NO RATING**

In the opinion of Best Best & Krieger LLP, Riverside, California, Bond Counsel, subject, however, to certain qualifications described in this Official Statement, under existing statutes, regulations, rulings, law, and judicial decisions, and assuming compliance with certain covenants and requirements described herein, the interest on the Bonds is excluded from gross income for federal income tax purposes and that interest on the Bonds is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on certain corporations. In the further opinion of Bond Counsel, interest on the Bonds is exempt from State of California personal income taxes. See "LEGAL MATTERS — Tax Matters."

County of Riverside **State of California**

$5,955,000*
COMMUNITY FACILITIES DISTRICT NO. 58 (PARADISE KNOLLS) OF JURUPA COMMUNITY SERVICES DISTRICT 2026 SPECIAL TAX BONDS

Dated: Date of Delivery **Due: September 1, as shown on the inside cover page**

The Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District 2026 Special Tax Bonds (the "Bonds") are being issued and delivered to (i) finance certain public improvements needed with respect to the development within Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District (the "District") including certain water and sewer facilities to be owned and operated by the Jurupa Community Services District (the "Services District"), (ii) to fund a reserve fund securing the Bonds, and (iii) to pay costs of issuance of the Bonds. The District has been formed by the Services District and is located in the City of Jurupa Valley in the County of Riverside, California (the "County").

The Bonds are authorized to be issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (Section 53311 *et seq*. of the Government Code of the State of California), and pursuant to a Fiscal Agent Agreement, dated as of December 1, 2026 (the "Fiscal Agent Agreement"), by and between the Services District and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"). The Bonds are special obligations of the District and are payable solely from revenues derived from certain annual Special Taxes (as defined in this Official Statement) to be levied on and collected from the owners of taxable property within the District and from certain other funds pledged under the Fiscal Agent Agreement, all as further described in this Official Statement. The Special Taxes are to be levied according to the rates and method of apportionment of special tax approved by the Board of Directors of the Services District and the qualified electors within the District. See "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes" and APPENDIX A — "RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX." The Board of Directors of the Services District is the legislative body of the District.

The Bonds are payable on a parity with any Parity Bonds (as defined in this Official Statement) issued by the District in the future. Parity Bonds may only be issued to refund all or a portion of any outstanding Bonds or any outstanding Parity Bonds. See "SOURCES OF PAYMENT FOR THE BONDS" and "THE BONDS — Issuance of Additional Bonds for Refunding Purposes Only."

The Bonds are issuable in fully registered form and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases may be made in integral multiples of $5,000 and will be in book-entry form only. Purchasers of Bonds will not receive certificates representing their beneficial ownership of the Bonds but will receive credit balances on the books of their respective nominees. The Bonds will not be transferable or exchangeable except for transfer to another nominee of DTC or as otherwise described in this Official Statement. Interest on the Bonds will be payable on March 1, 2027 and semiannually thereafter on each March 1 and September 1. Principal of and interest on the Bonds will be paid by the Fiscal Agent to DTC for subsequent disbursement to DTC Participants who are obligated to remit such payments to the beneficial owners of the Bonds. See "THE BONDS — General Provisions," "— Book-Entry Only System" and APPENDIX H — "INFORMATION CONCERNING THE DEPOSITORY TRUST COMPANY AND ITS BOOK-ENTRY SYSTEM."

Neither the faith and credit nor the taxing power of the Services District, the District (except to the limited extent set forth in the Fiscal Agent Agreement) or the State of California or any political subdivision thereof is pledged to the payment of the Bonds. Except for the Special Taxes levied in the District, no other taxes are pledged to the payment of the Bonds. The Bonds are special obligations of the District payable solely from Special Taxes levied within the District and certain other amounts held under the Fiscal Agent Agreement as more fully described in this Official Statement.

The Bonds are subject to optional redemption, mandatory redemption prior to maturity from special tax prepayments and mandatory sinking fund redemption as described in this Official Statement. See "THE BONDS — Redemption."

Investment in the Bonds involves risks that are not appropriate for certain investors. Certain events could affect the ability of the District to pay the principal of and interest on the Bonds when due. See the section of this Official Statement entitled "SPECIAL RISK FACTORS" for a discussion of certain risk factors that should be considered, in addition to the other matters set forth in this Official Statement, in evaluating the investment quality of the Bonds.

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of this issue. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision.

MATURITY SCHEDULE
(See Inside Cover Page)

The Bonds are offered when, as and if issued and accepted by Stifel, Nicolaus & Company, Incorporated, the Underwriter, subject to approval as to their legality by Best Best & Krieger LLP, Riverside, California, Bond Counsel, and subject to certain other conditions. Certain legal matters will be passed on for the Services District and the District by Best Best & Krieger LLP, Riverside, California, as General Counsel and for the Underwriter by Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, as counsel to the Underwriter. It is anticipated that the Bonds in book-entry form will be available for delivery to DTC in New York, New York, on or about December 10, 2026.

STIFEL

Dated: November __, 2026.

** Preliminary, subject to change.*

MATURITY SCHEDULE

$_____ Serial Bonds

Maturity Date (September 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Price*	*CUSIP No.†*

$_____ Term Bonds

$_____ _____% Term Bonds due September 1, 20__ Yield: _____% Price: _____ CUSIP No.† _____
$_____ _____% Term Bonds due September 1, 20__ Yield: _____% Price: _____ CUSIP No.† _____
$_____ _____% Term Bonds due September 1, 20__ Yield: _____% Price: _____ CUSIP No.† _____

† *CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright© 2026 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the Underwriter, the Services District or the District or their agents or counsel assume responsibility for the accuracy of such numbers.*

JURUPA COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

Anthony Herda, President
Kenneth J. McLaughlin, Vice President
Lupe R. Nava, Director
Bart Moreno, Director
Betty Folsom, Director

DISTRICT STAFF

Chris Berch, General Manager
Steven Popelar, Finance & Administrative Services Director
Jason Davis, Financial Program Manager

BOND COUNSEL AND GENERAL COUNSEL TO SERVICES DISTRICT

Best Best & Krieger LLP
Riverside, California

MUNICIPAL ADVISOR

Fieldman, Rolapp & Associates, Inc.
Irvine, California

DISTRICT ENGINEER AND SPECIAL TAX CONSULTANT

Webb Municipal Finance, LLC
Riverside, California

FISCAL AGENT

U.S. Bank Trust Company, National Association
Los Angeles, California

APPRAISER

Kitty Siino & Associates, Inc.
Tustin, California

Except where otherwise indicated, all information contained in this Official Statement has been provided by the Services District and the District. No dealer, broker, salesperson or other person has been authorized by the Services District, the District, the Fiscal Agent or the Underwriter to give any information or to make any representations in connection with the offer or sale of the Bonds other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Services District, the District, the Fiscal Agent or the Underwriter. 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 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers or Owners of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described in this Official Statement, are intended solely as such and are not to be construed as representations of fact. This Official Statement, including any supplement or amendment to this Official Statement, is intended to be deposited with the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, which can be found at *www.emma.msrb.org*.

The information set forth in this Official Statement which has been obtained from third party sources is believed to be reliable but is not guaranteed as to accuracy or completeness by the Services District or the District. The information and expressions of opinion in this Official Statement are subject to change without notice, and neither the 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 Services District or the District or any other parties described in this Official Statement since the date of this Official Statement. All summaries of the Fiscal Agent Agreement or other documents 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. Reference is made by this Official Statement to such documents on file with the Services District for further information. While the Services District maintains an internet website for various purposes, none of the information on that website is incorporated by reference herein or intended to assist investors in making any investment decision or to provide any continuing information with respect to the Bonds or any other bonds or obligations of the Services District. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded.

The Underwriter has provided the following sentence for inclusion in this Official Statement:

> 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.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget" or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information under the caption "THE DISTRICT" and "PROPERTY OWNERSHIP AND THE DEVELOPMENT."

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN SPECIAL RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE SERVICES DISTRICT DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

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

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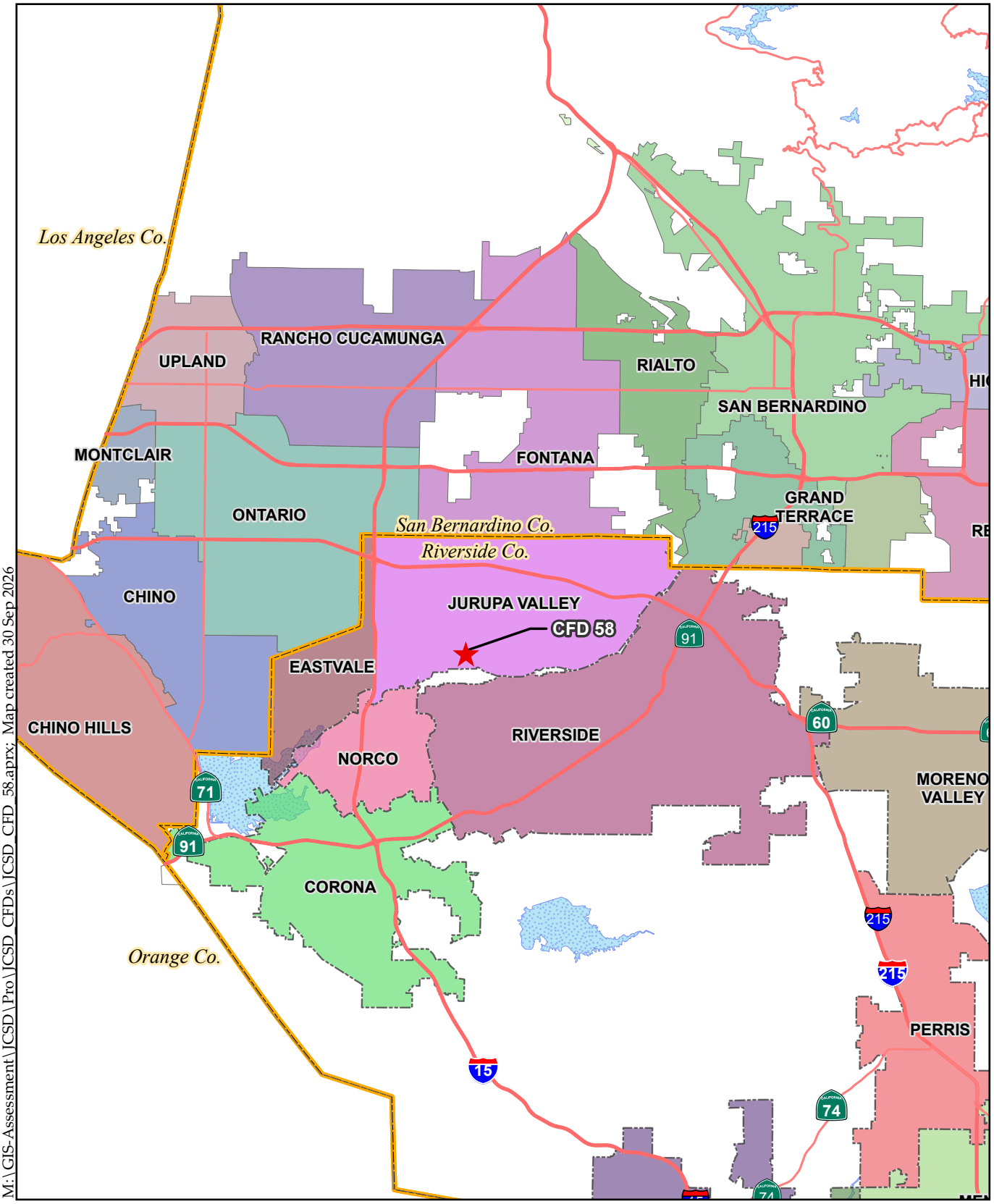
APPENDIX D - SUMMARY OF FISCAL AGENT AGREEMENT D-1

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Sources: Riverside Co. GIS, 2026; San Bernardino Co. GIS, 2026; LA Co. GIS, 2026; Orange Co. GIS, 2026; National Elevation Dataset

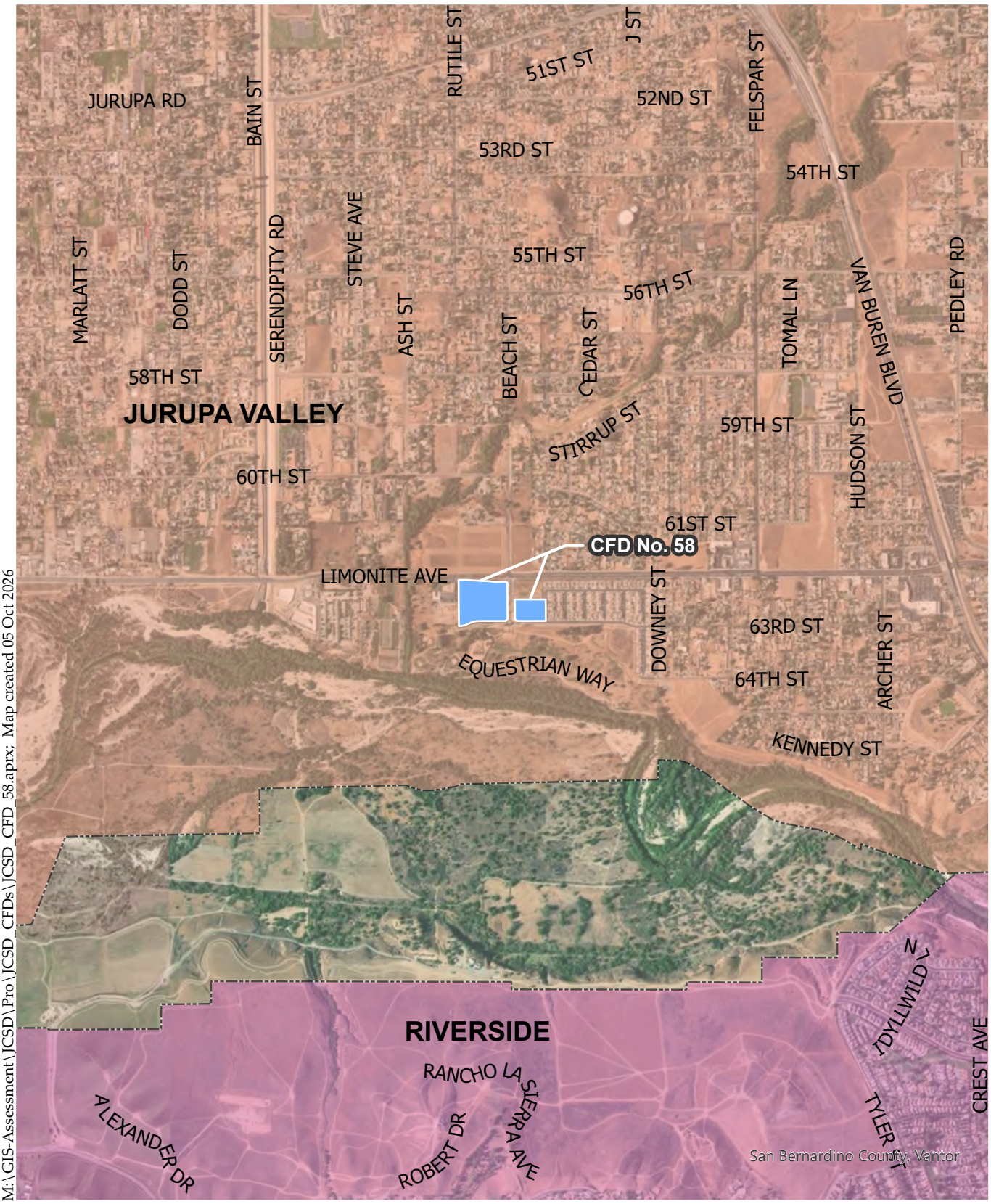
REGIONAL MAP

Community Facilities District No. 58

0 4 8 Miles

jurupa COMMUNITY SERVICES DISTRICT
Proudly serving Jurupa Valley and Eastvale

Webb MUNICIPAL FINANCE



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Sources: Riverside Co. GIS, 2026;
San Bernardino Co. GIS, 2026; ESRI, 2026.

LOCATION MAP

Community Facilities District No. 58

jurupa COMMUNITY SERVICES DISTRICT
Proudly serving Jurupa Valley and Eastvale

0 1,000 2,000 3,000 Feet

Webb MUNICIPAL FINANCE


Jurupa Community Services District
Community Facilities District No. 58 (Paradise Knolls)
(Sterling and Ivory at Paradise Knolls by Century Communities)
60
Beach Street
Limonite Avenue
Rancho Jurupa Drive
Boundaries Approximate
Aerial flown by AirViews 9/8/26
N

$5,955,000[*]
COMMUNITY FACILITIES DISTRICT NO. 58 (PARADISE KNOLLS)
OF JURUPA COMMUNITY SERVICES DISTRICT
2026 SPECIAL TAX BONDS

INTRODUCTION

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement. A full review should be made of the entire Official Statement. The sale and delivery of Bonds to potential investors is made only by means of the entire Official Statement. All capitalized terms used in this Official Statement and not defined shall have the meanings set forth in APPENDIX D — "SUMMARY OF FISCAL AGENT AGREEMENT — DEFINITIONS" or APPENDIX A — "RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX."

General

The purpose of this Official Statement (the "Official Statement"), is to provide certain information concerning the issuance of the $5,955,000[*] Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District 2026 Special Tax Bonds (the "Bonds"). The proceeds of the Bonds will be used to (i) finance various public improvements needed with respect to the development within Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District (the "District"), including certain water and sewer facilities to be owned and operated by the Jurupa Community Services District (the "Services District"), (ii) to fund the Reserve Fund (as defined in this Official Statement) securing the Bonds, and (iii) to pay costs of issuance of the Bonds.

The Bonds are authorized to be issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (Section 53311 *et seq*. of the Government Code of the State of California) (the "Act"), and pursuant to a Fiscal Agent Agreement, dated as of December 1, 2026 (the "Fiscal Agent Agreement"), by and between the Services District and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"). The Bonds are secured under the Fiscal Agent Agreement by a pledge of and lien upon Special Tax Revenues (as defined in this Official Statement) levied on parcels within the District, all moneys in the Principal Account and Interest Account of the Bond Fund and all moneys deposited in the Reserve Fund as described in the Fiscal Agent Agreement.

The Bonds are payable on a parity with any Parity Bonds (as defined in this Official Statement) issued by the District in the future. However, Parity Bonds may only be issued to refund the Bonds or any outstanding Parity Bonds. See "SOURCES OF PAYMENT FOR THE BONDS" and "THE BONDS — Issuance of Additional Bonds for Refunding Purposes Only."

The District

The District contains approximately 10.4 net acres located in the southwestern portion of the City of Jurupa Valley (the "City") and in the northwestern portion of Riverside County (the "County"). The District, the boundaries of which are non-contiguous, is located east of Interstate 15 and south of the 60 Freeway, at the southwest and southeast corners of Limonite Avenue and Beach Street, just north of the Santa Ana River.

[*] *Preliminary, subject to change.*

The District is planned for 153 residential units being developed into two neighborhoods known as Ivory and Sterling by Century Communities of California, LLC, a Delaware limited liability company (the "Developer"). Sterling is completely built out and consists of 35 single family detached residential units which have been conveyed to individual homeowners. Ivory is planned for 118 attached residential units, of which 63 completed residential units have been conveyed to individual homeowners as of September 1, 2026. The District is part of a larger master planned community known as "Paradise Knolls."

As of September 1, 2026, the date of value of the Appraisal Report (defined below), the Developer had completed and conveyed to individual homeowners 98 residential units within the District. Among those 98 residential units, 35 were detached residential units in the built out Sterling neighborhood and 63 were attached production residential units in the Ivory neighborhood. As of September 1, 2026, the remaining unsold 55 lots in the Ivory neighborhood were owned by the Developer and consisted of 4 completed model units, 15 production units over 95% complete (4 of which were in escrow), 26 units under construction (none of which were in escrow), and 10 finished lots. See "PROPERTY OWNERSHIP AND THE DEVELOPMENT."

Development and ownership have progressed since September 1, 2026, and as of November 1, 2026, the Developer had completed and conveyed 103 residential units within the District to individual homeowners. As of such date, the Developer owned 4 model units, 16 production units over 95% complete (8 of which were in escrow), 20 units under construction (none of which were in escrow), and 10 finished lots. The Developer expects to complete and convey all remaining homes to be constructed in the District to individual homeowners by the 4th quarter of 2027.

The Bonds are secured only by Special Tax Revenues from the property within the District.

Formation Proceedings. The District was formed by the Services District pursuant to the Act.

The Act was enacted by the California legislature to provide an alternative method of financing certain public capital facilities and services, especially in developing areas of the State of California (the "State"). Any local agency (as defined in the Act) may establish a district to provide for and finance the cost of eligible public facilities and services. Generally, the legislative body of the local agency which forms a district acts on behalf of such district as its legislative body. Subject to approval by two-thirds of the votes cast at an election and compliance with the other provisions of the Act, a legislative body of a local agency may issue bonds for a district and may levy and collect a special tax within such district to repay such indebtedness.

Pursuant to the Act, the Board of Directors of the Services District (the "Board of Directors") adopted the necessary resolutions stating its intent to establish the District, to authorize the levy of Special Taxes on taxable property within the boundaries of the District, and to have the District incur bonded indebtedness to finance certain master plan water system facilities, including capacity in existing facilities, and master plan sewer system facilities, including capacity in existing facilities and sewage treatment and disposal capacity (the "Facilities") to be owned and operated by the Services District.

Following public hearings conducted pursuant to the provisions of the Act, the Board of Directors adopted resolutions establishing the District and calling special elections to submit the levy of the Special Taxes and the incurring of bonded indebtedness to the qualified electors of the District. On November 13, 2023, at a special election held pursuant to the Act, the sole landowner, as the qualified elector within the District, authorized the District to incur bonded indebtedness in an aggregate principal amount not to exceed $8,000,000 and approved the rates and method of apportionment of Special Taxes for the District.

Increases in Special Taxes as the result of delinquencies are subject to certain limitations under the Act as well as maximum Special Tax rates applicable to properties in the District. Accordingly, if the Reserve Fund were fully depleted as a result of significant Special Tax delinquencies, there might not be sufficient Special Tax Revenues to replenish the Reserve Fund if and when delinquent Special Taxes were collected through foreclosure action or otherwise. See "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes —

Proceeds of Foreclosure Sales" and "SPECIAL RISK FACTORS — Bankruptcy and Foreclosure" for a discussion of certain risks associated with bankruptcy of Special Tax payers and potential interference with the foreclosure remedy. Whether or not the Reserve Fund equals the Reserve Requirement at any time, significant delinquencies could cause the District to be unable to pay the full amount of annual debt service on the Bonds when and as due.

Appraisal Report

Kitty Siino & Associates, Inc. (the "Appraiser") has conducted a Member of the Appraisal Institute ("MAI") Appraisal of the land within the District subject to the Special Tax (the "Appraisal Report") and has concluded, based upon the assumptions and limiting conditions contained in the Appraisal Report, that, as of September 1, 2026, the aggregate value of the properties within the District, assuming the due construction of the improvements and benefits to be funded by the Bond proceeds and the District special tax lien, was $61,566,350. This estimate of value results in an overall appraised value-to-lien ratio of approximately 10.34*-to-1 based on the estimated amount of direct and overlapping debt allocated to parcels within the District (including the Bonds, all overlapping debt secured by a tax or assessment on the property within the District, but excluding all overlapping general obligation debt). See "THE DISTRICT — Estimated Appraised Value-to-Lien Ratio," "— Appraisal Report," and APPENDIX B — "APPRAISAL REPORT."

Sources of Payment for the Bonds

Special Taxes. As used in this Official Statement, the term "Special Tax" is that tax which has been authorized to be levied against taxable property within the District pursuant to the Act and in accordance with the Rates and Method of Apportionment attached to this Official Statement as Appendix A (the "Rates and Method") to satisfy the Debt Service and Facilities Special Tax Requirement (as defined in the Rates and Method). "Special Tax Revenues" are defined to mean the proceeds of the Special Taxes received by the Services District, including any scheduled payments and prepayments, interest and penalties and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes in the amount of said lien and interest and penalties. See "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes" and APPENDIX A — "RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX." Under the Fiscal Agent Agreement, the District has pledged to repay the Bonds from the Special Tax Revenues and amounts on deposit in the Principal Account and Interest Account of the Bond Fund and the Reserve Fund established under the Fiscal Agent Agreement.

Reserve Fund. Pursuant to the Fiscal Agent Agreement, the Reserve Requirement for the Bonds following the issuance of the Bonds will be $_____ which is equal to the least of (i) Maximum Annual Debt Service on the Bonds, (ii) 10% of the stated principal amount of the Bonds, or (iii) 125% of average Annual Debt Service on the Bonds, as determined by the Services District (the "Reserve Requirement"). See "SOURCES OF PAYMENT FOR THE BONDS — Reserve Fund." The Reserve Requirement for the Bonds will not increase because Debt Service on the Bonds is level. Subject to the maximum annual amounts of Special Taxes contained in the Rates and Method, if the amount in the Reserve Fund is less than the Reserve Requirement, the Services District has covenanted to restore the amount in the Reserve Fund to the Reserve Requirement by the inclusion of a sufficient amount in the next annual Special Tax levy within the District. The ability of the Board of Directors to increase the annual Special Taxes levied in the District to replenish the Reserve Fund is subject to the maximum annual amounts of Special Taxes authorized for the District.

Moreover, in addition to the limitation of the maximum Special Tax rates, under no circumstances will the Special Tax levied against any taxable parcel of residential property within the District be increased by more than 10% as a consequence of a delinquency or default by the owner of any other parcel within the District. See "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes — *10%*

* *Preliminary, subject to change.*

Limitation on Increases in the Special Tax Levy as a Result of Delinquencies" **and "SPECIAL RISK FACTORS — Special Tax Delinquencies."**

The moneys in the Reserve Fund will be used only for payment of the principal of, and interest and any redemption premium on, the Bonds and at the direction of the Services District, for deposit in the Rebate Fund. See "SOURCES OF PAYMENT FOR THE BONDS — Reserve Fund."

The Special Tax Revenues are the primary security for the repayment of the Bonds. In the event that the Special Taxes are not paid when due, the only sources of funds available to pay the debt service on the Bonds are amounts held by the Fiscal Agent in the Principal Account and Interest Account of the Bond Fund and the Reserve Fund, to the limited extent described in the Fiscal Agent Agreement. See "SOURCES OF PAYMENT FOR THE BONDS — Reserve Fund."

Foreclosure Proceeds. The District has covenanted with and for the benefit of the Owners of the Bonds as follows: (i) it will order, and cause to be commenced, judicial foreclosure proceedings against properties with delinquent Special Taxes in excess of $5,000 by the October 1 following the close of the Fiscal Year in which such Special Taxes were due, and (ii) it will commence judicial foreclosure proceedings against all properties with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than 95% of the total Special Taxes levied, and diligently pursue to completion such foreclosure proceedings; provided, however, the Services District shall not be required to order and cause judicial foreclosure proceedings to be commenced against delinquent properties as long as no deficiency in the Reserve Fund exists (or is projected to exist in order to make debt service payments on the Bonds in the current or next fiscal year) or the Services District determines that the cost of pursuing such foreclosure is greater than the outstanding delinquency. See "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes — *Proceeds of Foreclosure Sales*." There is no assurance that the property within the District can be sold for the appraised value described in this Official Statement, or for a price sufficient to pay the principal of and interest on the Bonds, or at all at Foreclosure Sale, in the event of a default in payment of Special Taxes by the current or future landowners within the District. See "SPECIAL RISK FACTORS — Land Values" and APPENDIX B — "APPRAISAL REPORT."

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE SERVICES DISTRICT, THE DISTRICT (EXCEPT TO THE LIMITED EXTENT SET FORTH IN THE FISCAL AGENT AGREEMENT) OR THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. EXCEPT FOR THE SPECIAL TAXES LEVIED IN THE DISTRICT, NO OTHER TAXES ARE PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE SPECIAL OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM SPECIAL TAXES LEVIED WITHIN THE DISTRICT AND CERTAIN OTHER AMOUNTS HELD UNDER THE FISCAL AGENT AGREEMENT AS MORE FULLY DESCRIBED IN THIS OFFICIAL STATEMENT.

Description of the Bonds

The Bonds will be issued and delivered as fully registered Bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to actual purchasers of the Bonds (the "Beneficial Owners") in integral multiples of $5,000, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. In the event that the book-entry only system described in this Official Statement is no longer used with respect to the Bonds, the Bonds will be registered and transferred in accordance with the Fiscal Agent Agreement. See APPENDIX H — "INFORMATION CONCERNING THE DEPOSITORY TRUST COMPANY AND ITS BOOK-ENTRY SYSTEM."

Principal of, premium, if any, and interest on the Bonds is payable by the Fiscal Agent to DTC, as the registered Owner of the Bonds. Disbursement of such payments to DTC Participants is the responsibility of

DTC and disbursement of such payments to the Beneficial Owners is the responsibility of DTC Participants. In the event that the book-entry only system is no longer used with respect to the Bonds, the Beneficial Owners will become the registered owners of the Bonds and will be paid principal and interest by the Fiscal Agent, all as described in this Official Statement. See "THE BONDS — Book-Entry Only System" and see APPENDIX H — "INFORMATION CONCERNING THE DEPOSITORY TRUST COMPANY AND ITS BOOK-ENTRY SYSTEM."

Redemption[*]

The Bonds are subject to optional redemption, mandatory redemption from Special Tax Prepayments and mandatory sinking fund redemption as described in this Official Statement. For a more complete description of the Bonds and the basic documentation pursuant to which they are being sold and delivered, see "THE BONDS" and APPENDIX D — "SUMMARY OF FISCAL AGENT AGREEMENT."

Tax Matters

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and court decisions, the interest on the Bonds is exempt from personal income taxes of the State of California and, assuming compliance with certain covenants described in this Official Statement, is excluded from gross income for federal income tax purposes, and is not a specific preference item for purposes of the federal alternative minimum tax for individuals. Set forth in APPENDIX G is the form of opinion of Bond Counsel expected to be delivered in connection with the issuance of the Bonds. For a more complete discussion of such opinion and certain other tax consequences incident to the ownership of the Bonds, including certain exceptions to the tax treatment of interest, see "LEGAL MATTERS — Tax Exemption."

Professionals Involved in the Offering

U.S. Bank Trust Company, National Association will act as Fiscal Agent under the Fiscal Agent Agreement. Stifel, Nicolaus & Company, Incorporated, is the Underwriter of the Bonds. Certain proceedings in connection with the issuance and delivery of the Bonds are subject to the approval of Best Best & Krieger LLP, Riverside, California, as Bond Counsel. Fieldman, Rolapp & Associates, Inc. is acting as Municipal Advisor to the Services District in connection with the Bonds. Certain legal matters will be passed on for the Services District and the District by Best Best & Krieger LLP, as General Counsel, and for the Underwriter by Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, as Underwriter's Counsel. Other professional services have been performed by Webb Municipal Finance, LLC, Riverside, California, as District Engineer and Special Tax Consultant, and Kitty Siino & Associates, Inc., Tustin, California, as Appraiser.

For information concerning the respects in which certain of the above-mentioned professionals, advisors, counsel and agents may have a financial or other interest in the offering of the Bonds, see "LEGAL MATTERS — Financial Interests."

Continuing Disclosure

Pursuant to a Continuing Disclosure Agreement, by and between the Services District (on behalf of the District) and Digital Assurance Certification, L.L.C. (the "District Dissemination Agent"), dated as of December 1, 2026 (the "District Continuing Disclosure Agreement"), the Services District has agreed to provide, or cause to be provided, on an annual basis, to the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board (the "MSRB"), which can be found at www.emma.msrb.org ("EMMA"), certain financial information and operating data concerning the District. These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) ("Rule 15c2-12") adopted by the Securities and Exchange

[*] *Preliminary, subject to change.*

Commission (the "SEC"). The Services District has further agreed to provide notice to EMMA of certain listed events.

See "CONTINUING DISCLOSURE" and APPENDIX E for a description of the specific nature of the annual reports and notices of listed events to be provided by the Services District. Other than as described in this Official Statement under the heading "CONTINUING DISCLOSURE," the Services District has not failed to comply in all material respects with any filing requirements under Rule 15c2-12 under other bond continuing disclosure agreements in the last five years.

The Developer will also covenant in a Continuing Disclosure Certificate, the form of which is set forth in Appendix F, for the benefit of the Owners, to provide semi-annual reports containing updates of certain development information in this Official Statement regarding the development of its property within the District, and notices of certain significant events for a limited period of time. The specific nature of the information to be contained in the semi-annual reports or notices of significant events and certain other terms of the Developer's continuing disclosure obligations are contained in Appendix F — "FORM OF DEVELOPER CONTINUING DISCLOSURE CERTIFICATE." See "CONTINUING DISCLOSURE — The Developer."

Bondowners' Risks

Certain events could affect the timely repayment of the principal of and interest on the Bonds when due. See the section of this Official Statement entitled "SPECIAL RISK FACTORS" for a discussion of certain factors which should be considered, in addition to other matters set forth in this Official Statement, in evaluating an investment in the Bonds. The Bonds are not rated by any nationally recognized rating agency.

Forward Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget" or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information under the caption "THE DISTRICT."

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN SPECIAL RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

Other Information

This Official Statement speaks only as of its date, and the information contained in this Official Statement is subject to change.

Brief descriptions of the Bonds and the Fiscal Agent Agreement are included in this Official Statement. Such descriptions and information do not purport to be comprehensive or definitive. All references to the Fiscal Agent Agreement, the Bonds and the constitution and laws of the State as well as the proceedings of the Board of Directors, acting as the legislative body of the District, are qualified in their entirety by references to such documents, laws and proceedings, and with respect to the Bonds, by reference to the Fiscal Agent Agreement.

Copies of the Fiscal Agent Agreement, the Continuing Disclosure Agreement and other documents and information referred to in this Official Statement are available for inspection and (upon request and payment to the Services District of a charge for copying, mailing and handling) for delivery from the Services District at 11201 Harrel Street, Jurupa Valley, California 91752, Attention: Secretary of the Board of Directors.

THE FINANCING PLAN

A portion of the Bond proceeds will be used by the District to acquire certain authorized Services District Facilities. See "THE DISTRICT — Description of Authorized Facilities" in this Official Statement for a description of the Facilities authorized to be financed with the proceeds of the Bonds.

Estimated Sources and Uses of Funds

The following table sets forth the expected sources and uses of Bond proceeds:

Sources of Funds	
Principal Amount of Bonds	$
[Plus/Less] [Net] Original Issue [Premium/Discount]	
Total Sources	$
Uses of Funds	
Improvement Fund[(1)]	$
Reserve Fund	
Costs of Issuance Fund[(2)]	
Underwriter's Discount	
Total Uses	$

(1) Amounts will be deposited into the Services District Facilities Account.

(2) Includes legal fees, printing costs, Appraisal Report costs, Municipal Advisor fees, Special Tax Consultant fees, Fiscal Agent fees, and reimbursement of certain costs regarding the formation of the District, in addition to other costs of issuance of the Bonds.

THE BONDS

General Provisions

The Bonds will be dated their date of delivery and will bear interest at the rates per annum set forth on the inside cover page, payable semiannually on each March 1 and September 1, commencing on March 1, 2027 (each, an "Interest Payment Date"), and will mature in the amounts and on the dates set forth on the inside cover page of this Official Statement. The Bonds will be issued in fully registered form in integral multiples of $5,000.

Interest will be calculated on the basis of a 360-day year comprised of twelve 30-day months. Each Bond will bear interest from the Interest Payment Date next preceding the date of authentication of that Bond, unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the 15th day of the month next preceding such Interest Payment Date regardless of whether or not such day is a Business Day (the "Record Date"), in which event it shall 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 shall bear interest from the date of the Bonds; provided, however, that if at the time of authentication of a Bond, interest is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment or from the date of the Bonds, if no interest has previously been paid or made available for payment.

Interest on the Bonds is payable by check of the Fiscal Agent mailed by first class mail, postage prepaid, on each Interest Payment Date, until the principal amount of a Bond has been paid or made available for payment, to the registered Owner 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 Record Date preceding the Interest Payment Date. The principal of the Bonds and any premium on the Bonds are payable in lawful money of the United States of America by check of the Fiscal Agent upon surrender of such Bonds at the Principal Office of the Fiscal Agent; provided, however, that at the written request of the Owner of at least $1,000,000 in aggregate principal amount of Outstanding Bonds filed with the Fiscal Agent prior to any Record Date, interest on such Bonds shall be paid to such Owner on each succeeding Interest Payment Date by wire transfer of immediately available funds to an account in the United States of America designated in such written request. All Bonds paid by the Fiscal Agent pursuant to this subsection shall be canceled by the Fiscal Agent.

Authority for Issuance

The Bonds are issued pursuant to the Act and the Fiscal Agent Agreement. As required by the Act, the Board of Directors has taken the following actions with respect to establishing the District and the Bonds:

Resolutions of Intention. On September 25, 2023, the Board of Directors of the Services District adopted a resolution stating its intention to establish the District and to authorize the levy of a special tax, and a resolution declaring its intention to have the District incur bonded indebtedness in an amount not to exceed $8,000,000. The District does not intend to issue future parity bonds other than for accomplishing the defeasance and redemption of all or a portion of the Bonds.

Resolutions of Formation. Following a noticed public hearing conducted on November 13, 2023, the Board of Directors of the Services District adopted on November 13, 2023, resolutions which established the District, authorized the levy of a special tax within the District, and declared the necessity for the District to incur bonded indebtedness in a maximum aggregate principal amount of $8,000,000.

Resolution Calling Election. The resolutions adopted by the Board of Directors of the Services District on November 13, 2023 also called for consolidated special elections by the landowners in the District on the issues of the levy of the Special Tax, the incurring of bonded indebtedness, and the establishment of an appropriations limit.

Landowner Election and Declaration of Results. On November 13, 2023, an election was held at which the Developer, as sole landowner within the District, approved a ballot proposition authorizing the issuance of up to $8,000,000 of bonds to finance the acquisition and construction of various public facilities, the levy of the Special Tax and the establishment of an appropriations limit for the District. On November 13, 2023, the Board of Directors adopted a resolution approving the canvass of the votes and declaring the District to be fully formed with the authority to levy the Special Taxes, to incur the bonded indebtedness, and to have the established appropriations limit.

Special Tax Lien and Levy. A Notice of Special Tax Lien for the District was recorded in the real property records of the County on December 11, 2023, as Document No. 2023-0367577 reflecting a lien against the property in the District.

Ordinance Levying Special Taxes. On November 13, 2023, the Board of Directors adopted Ordinance No. 464 levying Special Taxes within the District.

Resolution Authorizing Issuance of the Bonds. On November 9, 2026, the Board of Directors adopted Resolution No. 3542 approving the issuance of the Bonds.

Redemption[*]

Optional Redemption. The Bonds are subject to redemption prior to their stated maturity dates on any Interest Payment Date on and after September 1, 20__, as selected among maturities by the Services District (and by lot within any one maturity), in integral multiples of $5,000, at the option of the Services District from moneys derived by the Services District from any source, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

Redemption Dates	***Redemption Prices***
September 1, 20__ and March 1, 20__	103%
September 1, 20__ and March 1, 20__	102
September 1, 20__ and March 1, 20__	101
September 1, 20__ and any Interest Payment Date thereafter	100

Mandatory Redemption From Special Tax Prepayments. The Bonds are subject to mandatory redemption prior to their stated maturity dates on any Interest Payment Date on and after March 1, 20__, as selected among maturities by the Services District (and by lot within any one maturity), in integral multiples of $5,000, from moneys derived by the Services District from Special Tax Prepayments, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

Redemption Dates	***Redemption Prices***
Any Interest Payment Date commencing March 1, 20__ through March 1, 20__	103%
September 1, 20__ and March 1, 20__	102
September 1, 20__ and March 1, 20__	101
September 1, 20__ and any Interest Payment Date thereafter	100

Mandatory redemption of Bonds from Special Tax Prepayments may result in the reduction in the otherwise expected yield on such Bonds if the Bonds were purchased at a price greater than par. See "SPECIAL RISK FACTORS — Potential Early Redemption of Bonds from Special Tax Prepayments."

Mandatory Sinking Fund Redemption. The outstanding Bonds maturing on September 1, 20__, September 1, 20__, September 1, 20__ and September 1, 20__ are subject to mandatory sinking fund redemption, in part, on September 1, 20__, September 1, 20__, September 1, 20__ and September 1, 20__, respectively, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date of redemption, without premium, and from sinking payments as follows:

[*] *Preliminary, subject to change.*

Bonds Maturing on September 1, 20__

Sinking Fund Redemption Date (September 1)	*Sinking Payments*

(maturity)

Bonds Maturing on September 1, 20__

Sinking Fund Redemption Date (September 1)	*Sinking Payments*

(maturity)

Bonds Maturing on September 1, 20__

Sinking Fund Redemption Date (September 1)	*Sinking Payments*

(maturity)

The amounts in the foregoing schedules shall be reduced by the Services District pro rata among redemption dates, in order to maintain substantially level Debt Service, as a result of any prior or partial optional or mandatory redemption of the Bonds.

Purchase of Bonds. In lieu of payment at maturity or redemption under the Fiscal Agent Agreement, moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding 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 Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase.

Notice to Fiscal Agent. An Authorized Officer shall give the Fiscal Agent written notice of the Services District's intention to redeem Bonds not less than 45 days prior to the applicable redemption date. Such written notice shall specify whether Bonds are to be redeemed by optional redemption or mandatory redemption from

Special Tax Prepayments. The provisions of this subsection shall not apply to mandatory sinking fund redemption of the Bonds.

Redemption Procedure by Fiscal Agent. The Fiscal Agent shall cause notice of any redemption to be mailed by first class mail, postage prepaid, at least 30 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 selected by an Authorized Officer, and to the respective registered Owners of any Bonds designated for redemption, at their addresses appearing on the Bond registration books maintained by the Fiscal Agent at its Principal Office; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of such Bonds. The Fiscal Agent shall also cause notice of any redemption to be mailed, in such manner and within such time, to the Underwriter.

Such notice shall state the date of such notice, the date of issue of the Bonds, the place or places of redemption, the redemption date, the redemption price and, if less than all of the then Outstanding Bonds are to be called for redemption, shall designate the CUSIP numbers and Bond numbers of the Bonds to be redeemed, by giving the individual CUSIP number and Bond number of each Bond to be redeemed, or shall state that all Bonds between two stated Bond numbers, both inclusive, are to be redeemed or that all of the Bonds of one or more maturities have been called for redemption, shall state as to any Bond called for redemption in part the portion of the principal of the Bond to be redeemed, shall require that such Bonds be then surrendered at the Principal Office of the Fiscal Agent for redemption at the said redemption price, and shall state that further interest on such Bonds will not accrue from and after the redemption date. The cost of the mailing of any such redemption notice shall be paid by the District.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

If less than all the Bonds Outstanding are to be redeemed, the portion of any Bond of a denomination of more than $5,000 to be redeemed shall be in integral multiples of $5,000, and, in selecting portions of such Bonds for redemption, the Fiscal Agent shall treat each such Bond as representing the number of Bonds of $5,000 denominations which is obtained by dividing the principal amount of such Bond to be redeemed in part by $5,000.

Whenever provision is made in the Fiscal Agent Agreement for the redemption of less than all of the Bonds of a maturity or any given portion thereof, the Fiscal Agent shall select the Bonds of such maturity to be redeemed, from all Bonds of such maturity or such given portion thereof not previously called for redemption, by lot within a maturity in any manner which the Fiscal Agent in its sole discretion shall deem appropriate.

Upon surrender of Bonds redeemed in part only, the Services District shall execute and the Fiscal Agent shall authenticate and deliver to the Owner, at the expense of the District, a new Bond or Bonds, of the same maturity, of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the Bond or Bonds.

The District will have the right to rescind any notice of redemption for any optional or mandatory redemption pursuant to the Fiscal Agent Agreement on or prior to the date fixed for redemption. Any notice of optional redemption will be cancelled and annulled if for any reason funds will not be or are not available on the date so fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute an Event of Default under the Fiscal Agent Agreement. The Services District and the Fiscal Agent will have no liability to the Bondowners or any other party related to or arising from such rescission of redemption. The Fiscal Agent will mail notice of such rescission of redemption in the same manner as the original notice of redemption.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption prices of the Bonds called for redemption shall have been deposited in the Bond Fund, such Bonds shall cease to be entitled to any benefit under the Fiscal Agent Agreement other than the right to receive payment of the redemption price, and interest shall cease to accrue on the Bonds to be redeemed on the redemption date specified in the notice of redemption.

All Bonds redeemed and purchased by the Fiscal Agent pursuant to the Fiscal Agent Agreement shall be cancelled by the Fiscal Agent.

Issuance of Additional Bonds for Refunding Purposes Only

The Services District will not issue Parity Bonds for any purpose other than accomplishing the defeasance and redemption of all or a portion of the Bonds or Parity Bonds pursuant to the Fiscal Agent Agreement.

Registration, Transfer and Exchange

Registration. The Fiscal Agent will keep sufficient books for the registration and transfer of the Bonds. The ownership of the Bonds will be established by the Bond registration books held by the Fiscal Agent.

Transfer or Exchange. Whenever any Bond is surrendered for registration of transfer or exchange, the Fiscal Agent will authenticate and deliver a new Bond or Bonds of the same maturity, for a like aggregate principal amount of authorized denominations; provided that the Fiscal Agent will not be required to register transfers or make exchanges of (i) Bonds for a period of 15 days next preceding the date established by the Fiscal Agent for selection of Bonds for redemption, or (ii) with respect to Bonds selected for redemption.

Book-Entry Only System

The Bonds will be issued in book-entry form, and The Depository Trust Company of New York, New York ("DTC") will act as securities depository. So long as the Bonds are held in book-entry form, principal of, premium, if any, and interest on the Bonds will be paid by the Fiscal Agent directly to DTC for distribution to the beneficial owners of the Bonds in accordance with procedures adopted by DTC. See APPENDIX H — "INFORMATION CONCERNING THE DEPOSITORY TRUST COMPANY AND ITS BOOK-ENTRY SYSTEM."

Debt Service Schedule

The following table presents the annual debt service on the Bonds (including sinking fund redemptions), assuming there are no optional redemptions or mandatory redemptions from prepayment of Special Taxes pursuant to the Rates and Method. See "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes" and "THE BONDS — Redemption."

ANNUAL DEBT SERVICE SCHEDULE

Payment Year (September 1)	*Principal*[(1)]	*Interest*	*Total Debt Service on the Bonds*
Total:			

(1) Includes mandatory sinking fund redemptions.
Source: Underwriter.

SOURCES OF PAYMENT FOR THE BONDS

Limited Obligations

The Bonds are special, limited obligations of the District payable only from amounts pledged under the Fiscal Agent Agreement and from no other sources.

The Special Taxes are the primary security for the repayment of the Bonds. Under the Fiscal Agent Agreement, the District has pledged to repay the Bonds from the Special Tax Revenues (which are the proceeds of the Special Taxes received by the Services District from the District, including any scheduled payments, 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) and all moneys deposited in Principal and Interest Accounts of the Bond Fund and the Reserve Fund.

As used in this Official Statement, "Special Tax" means the special taxes levied to satisfy the Debt Service and Facilities Special Tax Requirement, as defined in the Rates and Method.

In the event that the Special Tax Revenues of the District are not received when due, the only sources of funds available to pay the debt service on the Bonds are amounts held by the Fiscal Agent in the Special Tax Fund, the Principal and Interest Accounts of the Bond Fund, and the Reserve Fund for the exclusive benefit of the Owners of the Bonds.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE SERVICES DISTRICT, THE DISTRICT (EXCEPT TO THE LIMITED EXTENT SET FORTH IN THE FISCAL AGENT AGREEMENT) OR THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. EXCEPT FOR THE SPECIAL TAXES LEVIED IN THE DISTRICT, NO OTHER TAXES ARE PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE SPECIAL OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM SPECIAL TAXES LEVIED WITHIN THE DISTRICT AND CERTAIN OTHER AMOUNTS HELD UNDER THE FISCAL AGENT AGREEMENT AS MORE FULLY DESCRIBED IN THIS OFFICIAL STATEMENT.

Special Taxes

Authorization and Pledge. In accordance with the provisions of the Act, the Board of Directors established the District on November 13, 2023, for the purpose of financing the acquisition, construction and installation of various public improvements required in connection with the proposed development within the District. At a special election held on November 13, 2023, the owners of the property within the District authorized the District to incur bonded indebtedness in a maximum aggregate amount not to exceed $8,000,000, and approved the Rates and Method for the District, which authorizes the Special Tax to be levied to repay District indebtedness, including the Bonds (the "District Bond Authorization"). On November 13, 2023 at a duly called special election following a public hearing held by the Board of Directors, the landowner within the District approved the Rates and Method for the District. The Notice of Special Tax Lien was recorded in the real property records of the County on December 11, 2023, as Document No. 2023-0367577. On November 13, 2023, the Board adopted Ordinance No. 464 which authorized the levy of Special Taxes in the District.

The District has covenanted in the Fiscal Agent Agreement that each year it will levy Special Taxes up to the maximum rates permitted under the Rates and Method in an amount sufficient, together with other amounts on deposit in the Special Tax Fund, to pay the principal of and interest on any Outstanding Bonds, to replenish the Reserve Fund and to pay the estimated Administrative Expenses.

The Special Taxes levied in any Fiscal Year may not exceed the maximum rates authorized pursuant to the Rates and Method. See APPENDIX A — "RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX." There is no assurance that the Special Tax proceeds will, in all circumstances, be adequate to pay the principal of and interest on the Bonds when due. See "SPECIAL RISK FACTORS — Insufficiency of Special Taxes."

Rates and Method of Apportionment of Special Taxes. All capitalized terms used in this section shall have the meanings set forth in APPENDIX A.

Under the Rates and Method, for Fiscal Year 2025-26, 48 parcels of Taxable Property in the District were classified as Developed Property and were levied at the assigned Special Tax rates set forth in Tables 1 and 2 of Section C of the Rates and Method, as described below. Under the Rates and Method, for Fiscal Year 2026-27, 110 parcels of Taxable Property in the District have been classified as Developed Property and have been levied at the assigned Special Tax rates set forth in Tables 1 and 2 of Section C of the Rates and Method, as described below. The Rates and Method establishes two Tax Zones within the District. The Assigned Special Tax for Developed Property within the District that is classified as Residential Property ranges from $2,800 per taxable unit with a Residential Floor Area of 1,200 square feet or less to $3,250 per taxable unit with a Residential

Floor Area of 1,600 square feet or greater in Tax Zone A and from $3,425 per taxable unit with a Residential Floor Area of 1,650 square feet or less to $3,825 per taxable unit with a Residential Floor Area of 1,850 square feet or greater in Tax Zone B or $3,038 per parcel of Residential Property in the District (the "Alternative Special Tax Rate") in Tax Zone A and $3,631 per parcel of Residential Property in Tax Zone B of the District. The Alternative Special Tax Rate is subject to adjustment pursuant to Section I of the Rates and Method. For Non-Residential Property and Undeveloped Property in the District, the Maximum Special Tax for Debt Service and Facilities is $129,404 per acre in Tax Zone A and is $90,124 per acre in Tax Zone B.

Zone A is the Ivory neighborhood and Zone B is the Sterling neighborhood.

For purposes of the levy of Special Taxes to satisfy the Maximum Special Tax for Debt Service and Facilities, a parcel will be classified as Developed Property if it is Taxable Property for which a building permit for residential dwelling units or non-residential construction was issued as of March 1 of the Fiscal Year preceding the Special Tax levy.

Table 1 below sets forth the projected Special Tax levy for Fiscal Year 2027-28 by property classification assuming the development status as of September 1, 2026.

TABLE 1
COMMUNITY FACILITIES DISTRICT NO. 58
OF JURUPA COMMUNITY SERVICES DISTRICT
ASSIGNED SPECIAL TAXES

Land Use / Zone	*Tax Class*	*Residential Floor Area*	*No. of Parcels*	*Special Tax Per Parcel / Maximum Special Tax Per Acre* [(1)*]	*Projected Fiscal Year 2027-28 Special Tax Per Parcel*	*Total Projected Fiscal Year 2027-28 Special Tax Levy* [(2)*]	*Percent of Total*
Zone A (Ivory)							
Residential Property	D1-ZA	Less than 1,200 SF	27	$ 2,800.00	$ 2,642.88	$ 71,357.64	16.18%
Residential Property	D2-ZA	1,200 SF to 1,400 SF	27	2,950.00	2,784.46	75,180.37	17.05
Residential Property	D3-ZA	1,401 SF TO 1,600 SF	59	3,100.00	2,926.04	172,636.41	39.15
Residential Property	D4-ZA	Over 1,600 SF	0	3,250.00	0.00	0.00	0.00
Undeveloped Property	UND-ZA	N/A	5	129,404.00	0.00	0.00	0.00
Zone B (Sterling)							
Residential Property	D1-ZB	Less than 1,650 SF	11	$ 3,425.00	$ 3,232.80	$ 35,560.83	8.06%
Residential Property	D2-ZB	1,650 SF to 1,850 SF	2	3,625.00	3,421.58	6,843.16	1.55
Residential Property	D3-ZB	Over 1,850 SF	22	3,825.00	3,610.36	79,427.85	18.01
Undeveloped Property	UND-ZB	N/A	0	90,124.00	0.00	0.00	0.00
Total			153			$441,006.26	100.00%

* *Preliminary, subject to change.*
(1) The Maximum Special Tax Per Acre for Undeveloped Property is per acre.
(2) Includes the debt service requirement of the Bonds and $40,000 in estimated Fiscal Year 2027-28 priority administration.
Source: Webb Municipal Finance, LLC.

After classifying the parcels in the District, the Board of Directors will determine the Debt Service and Facilities Special Tax Requirement for the Fiscal Year. "Debt Service and Facilities Special Tax Requirement" means that amount required in any Fiscal Year after taking into consideration available funds pursuant to the Fiscal Agent Agreement: (1) to pay principal of and interest on all outstanding bonds of the District, (2) to pay Administrative Expenses attributable to such bonds and the levy and collection of the Special Tax, (3) to pay costs of credit enhancement for such bonds and any amount required to be rebated to the United States with respect to such bonds, (4) to replenish the reserve fund for such, and (5) to provide any amounts which the Board of Directors determines are necessary to pay the costs of the provision, construction and acquisition of Facilities and/or to accumulate funds therefor.

The Special Tax for Debt Service and Facilities is first levied on all parcels of Developed Property in equal percentages up to 100% of the applicable rate set forth in Tables 1 and 2 of the Rates and Method. If additional monies are needed to satisfy the Debt Service and Facilities Special Tax Requirement after levying on all Developed Property at the Tables 1 and 2 rates, the Special Tax will be levied next on all parcels of Undeveloped Property in equal percentages up to the applicable Maximum Special Tax for Debt Service and Facilities for Undeveloped Property and finally on Developed Property classified as Residential Property up to 100% of the applicable Alternative Special Tax Rate in equal percentages up to 100% of such Maximum Special Tax for Debt Service and Facilities.

Prepayment of Special Taxes. The Special Tax Obligation for Debt Service and Facilities may only be prepaid and permanently satisfied for a Parcel of Developed Property, a Parcel of Undeveloped Property for which a building permit has been issued, or a Parcel of Church Property, Park and Open Space Property, Property Owners' Association Property, or Public School Property that is not Exempt Property. The Special Tax Obligation for Debt Service and Facilities for a Parcel may be fully prepaid and the obligation of the Parcel to pay the Special Tax permanently satisfied as described in the Rates and Method; provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to the Parcel at the time of prepayment. An owner of a Parcel intending to prepay the Special Tax Obligation for Debt Service and Facilities for the Parcel shall provide the Administrator with written notice of the owner's intent to prepay, and within 15 days of receipt of such notice, the Administrator shall notify such owner of the amount of a non-refundable deposit to cover the cost to be incurred by the Services District and the District in determining the Prepayment Amount for the Parcel. Within 30 days of receipt of such non-refundable deposit, the Administrator shall notify the owner of the Prepayment Amount for the Parcel. Prepayment must be made not later than 60 days prior to any redemption date for any bonds which will be redeemed with the Prepayment Amount.

Additionally, the Services District has covenanted in the Fiscal Agent Agreement that the Services District shall cause all applications of owners of property in the District to prepay and satisfy the Special Tax obligation for their property to be reviewed by the Special Tax Consultant and shall not accept any such prepayment unless such consultant certifies in writing that the total amount of the Maximum Special Tax for Debt Service and Facilities (as defined in the Rates and Method) that may be levied on Taxable Property both prior to and after the proposed prepayment is and will be at least 1.1 times the amount of Maximum Annual Debt Service on all Outstanding Bonds plus Administrative Expenses in the amount of $40,000. For purposes of such certification, Taxable Property means all parcels of property in the District that are not exempt from the levy of the Special Tax pursuant to the Act or the Rates and Method. Prepayments of Special Taxes aggregating in excess of $5,000 will result in a mandatory redemption of Bonds. See "THE BONDS — Redemption — *Mandatory Redemption from Special Tax Prepayments*."

Collection and Application of Special Taxes. The Special Taxes are collected by the Treasurer-Tax Collector of the County in the same manner and at the same time as *ad valorem* property taxes. The Services District may, however, collect the Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

Covenants to Protect Special Tax Rates. The Services District has made certain covenants in the Fiscal Agent Agreement for the purpose of ensuring that the current maximum Special Tax rates and method of

collection of the Special Taxes are not altered in a manner that would impair the District's ability to collect sufficient Special Taxes to pay debt service on the Bonds and Administrative Expenses when due. First, the District has covenanted that, to the extent it is legally permitted to avoid doing so, it will not initiate and conduct proceedings to reduce the Maximum Special Tax rates (the "Maximum Rates") and, in the event an ordinance is adopted by initiative which purports to reduce or otherwise alter the Maximum Rates, the Services District will commence and pursue legal action seeking to preserve its ability to avoid reduction of Maximum Rates. See "SPECIAL RISK FACTORS — Proposition 218." Second, the Services District has covenanted not to permit the tender of Bonds in payment of any Special Taxes except upon receipt of a certificate of an Independent Financial Consultant that to accept such tender will not result in the Services District having insufficient Special Tax Revenues to pay the principal of and interest on the Outstanding Bonds following such tender. See "SPECIAL RISK FACTORS — Non-Cash Payments of Special Taxes."

Although the Special Taxes constitute liens on taxable parcels within the District, they do not constitute a personal indebtedness of the owners of property within the District. Moreover, other liens for taxes and assessments already exist on the property located within the District and others could come into existence in the future in certain situations without the consent or knowledge of the Services District or the landowners in the District. See "SPECIAL RISK FACTORS — Parity Taxes and Special Assessments." There is no assurance that property owners will be financially able to pay the annual Special Taxes or that they will pay such taxes even if financially able to do so, all as more fully described in the section of this Official Statement entitled "SPECIAL RISK FACTORS."

Under the terms of the Fiscal Agent Agreement, all Special Tax Revenues received by the District are to be deposited in the Special Tax Fund. Special Tax Revenues deposited in the Special Tax Fund are to be applied by the Fiscal Agent under the Fiscal Agent Agreement in the following order of priority: (i) to deposit up to $40,000 to the Administrative Expense Fund to pay Administrative Expenses; (ii) to replenish the Reserve Fund to the Reserve Requirement; (iii) to transfer to the Bond Fund to pay the principal of and interest on the Bonds when due; and (iv) to deposit to the Administrative Expense Fund an additional amount in excess of the $40,000 necessary to pay Administrative Expenses. See APPENDIX D — "SUMMARY OF FISCAL AGENT AGREEMENT."***Proceeds of Foreclosure Sales***. The net proceeds received following a judicial foreclosure sale of land within the District resulting from a landowner's failure to pay the Special Taxes when due are included within the Special Tax Revenues pledged to the payment of principal of and interest on the Bonds under the Fiscal Agent Agreement.

Pursuant to Section 53356.1 of the Act, in the event of any delinquency in the payment of any Special Tax or receipt by the District of Special Taxes in an amount which is less than the Special Tax levied, the Board of Directors, as the legislative body of the District, may order that Special Taxes be collected by a superior court action to foreclose the lien within specified time limits. In such an action, the real property subject to the unpaid amount may be sold at a judicial foreclosure sale. Under the Act, the commencement of judicial foreclosure following the nonpayment of a Special Tax is not mandatory. However, the Services District has covenanted for the benefit of the owners of the Bonds that (i) it will order, and cause to be commenced, judicial foreclosure proceedings against properties with delinquent Special Taxes in excess of $5,000 by the October 1 following the close of the fiscal year in which such Special Taxes were due, and (ii) it will commence judicial foreclosure proceedings against all properties with delinquent Special Taxes by the October 1 following the close of each fiscal year in which it receives Special Taxes in an amount which is less than 95% of the total Special Taxes levied, and diligently pursue to completion such foreclosure proceedings; provided, however, the Services District shall not be required to order and cause judicial foreclosure proceedings to be commenced against delinquent properties as long as no deficiency in the Reserve Fund exists (or is projected to exist in order to make debt service payments on the Bonds in the current or next fiscal year) or the Services District determines that the cost of pursuing such foreclosure is greater than the outstanding delinquency. See APPENDIX D — "SUMMARY OF FISCAL AGENT AGREEMENT — OTHER COVENANTS OF THE SERVICES DISTRICT."

If foreclosure is necessary and other funds (including amounts in the Reserve Fund) have been exhausted, debt service payments on the Bonds could be delayed until the foreclosure proceedings have ended with the receipt of any foreclosure sale proceeds. Judicial foreclosure actions are subject to the normal delays associated with court cases and may be further slowed by bankruptcy actions, involvement by agencies of the federal government and other factors beyond the control of the Services District and the District. See "SPECIAL RISK FACTORS — Bankruptcy and Foreclosure." Moreover, no assurances can be given that the real property subject to foreclosure and sale at a judicial foreclosure sale will be sold or, if sold, that the proceeds of such sale will be sufficient to pay any delinquent Special Tax installment. See "SPECIAL RISK FACTORS — Land Values." Although the Act authorizes the District to cause such an action to be commenced and diligently pursued to completion, the Act does not impose on the District or the Services District any obligation to purchase or acquire any lot or parcel of property sold at a foreclosure sale if there is no other purchaser at such sale. The Act provides that, in the case of a delinquency, the Special Tax will have the same lien priority as is provided for *ad valorem* taxes.

Services District's Collection Practices. The staff of the Services District provides administrative and other support services for the community facilities districts that have been formed by the Services District. These services include, but are not limited to, attempting to collect delinquent special taxes prior to the commencement of foreclosure proceedings by sending demand letters to property owners whose special taxes are delinquent advising them of the consequences of failing to pay the applicable special taxes. The District generally sends out letters to delinquent property owners within its community facilities districts for which bonds have been issued in June or July each fiscal year. The Services District expects but is not required to continue its practice of issuing demand letters to delinquent property owners in future fiscal years given that delinquent special taxes have generally been paid in response to such demand letters. The Services District has not commenced foreclosure proceedings against any delinquent property owners within the District. However, the District has covenanted in the Fiscal Agent Agreement to commence foreclosure proceedings under certain circumstances described in this Official Statement. See "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes — *Proceeds of Foreclosure Sales*."

No Teeter Plan. Although the Riverside County Board of Supervisors has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan") which allows each entity levying secured property taxes in the County to draw on the amount of property taxes levied rather than the amount actually collected, as provided for in Section 4701 *et seq*. of the California Revenue and Taxation Code, the District is not included in the County Teeter Plan. Consequently, the District may not draw on the County Tax Loss Reserve Fund in the event of delinquencies in Special Tax payments within the District.

10% Limitation on Increases in the Special Tax Levy as a Result of Delinquencies. Section 53321 of the Act states that under no circumstances will the Special Tax levied in any fiscal year against any parcel used for private residential purposes (parcels are considered "used for private residential purposes" on the date that an occupancy permit for private residential use is issued) be increased as a consequence of delinquency or default by more than 10% above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults. Therefore, even though the maximum Special Tax rates may allow for Special Tax increases greater than 10%, in the event of high delinquencies in the District, the District could not increase the Special Taxes in the fiscal year following such delinquencies by more than 10% on the completed residential units for which certificates of occupancy have been issued. See "SPECIAL RISK FACTORS — Special Tax Delinquencies."

Reserve Fund

In order to secure further the payment of principal of and interest on the Bonds, the District is required, upon delivery of the Bonds, to deposit in the Reserve Fund and thereafter to maintain in the Reserve Fund an amount equal to the Reserve Requirement for the Bonds. The Fiscal Agent Agreement provides that the amount in the Reserve Fund shall, on any date in any Bond Year, equal the lesser of (i) 10% of the original principal amount of the Bonds, (ii) Maximum Annual Debt Service on the Bonds or (iii) 125% of average Annual Debt

Service on the Bonds, as determined by the Services District. The Reserve Requirement for the Bonds will not increase because Debt Service on the Bonds is level.

Subject to the limits on the maximum annual Special Tax which may be levied within the District, as described in APPENDIX A, the Services District has covenanted to levy Special Taxes in an amount that is anticipated to be sufficient, in light of the other intended uses of the Special Tax proceeds, to maintain the balance in the Reserve Fund at the Reserve Requirement; provided, if a shortfall occurs in the Reserve Fund as a consequence of Special Tax delinquencies, the Services District may only increase Special Taxes within the District to replenish the Reserve Fund in the amount of such delinquencies. However, notwithstanding the above, under no circumstances will the Special Tax levied against any taxable parcel of residential property within the District be increased by more than 10% as a consequence of a delinquency or default by the owner of any other parcel within the District.

The moneys in the Reserve Fund will be used for payment of the principal of, and interest and any redemption premium on, the Bonds, and, at the direction of the Services District, for deposit in the Rebate Fund. Amounts in the Reserve Fund are to be applied to (i) pay debt service on the Bonds, to the extent other monies are not available therefor; (ii) redeem the Bonds in whole or in part, including without limitation, from Special Tax Prepayments; and (iii) pay the principal and interest due in the final year of maturity of the Bonds. In the event of a prepayment of Special Taxes, under certain circumstances, a portion of the Reserve Fund will be added as a credit to the amount being prepaid and be applied to redeem Bonds. As described in the Fiscal Agent Agreement, the Reserve Fund credit will be equal to the expected reduction in the Reserve Requirement; provided, however, there will be no Reserve Fund credit if the amount in the Reserve Fund is less than the Reserve Requirement. See APPENDIX D — "SUMMARY OF FISCAL AGENT AGREEMENT — SPECIAL TAX REVENUES; BOND FUND; RESERVE FUND — Reserve Fund."

THE DISTRICT

General Description of the District

The District contains approximately 10.4 net acres located in the southwestern portion of the City and in the northwestern portion of the County. The District, the boundaries of which are non-contiguous, is located east of Interstate 15 and south of the 60 Freeway, at the southwest and southeast corners of Limonite Avenue and Beach Street, just north of the Santa Ana River. The District is part of a larger master planned single family residential community known as "Paradise Knolls." The District is identified as Planning Area 2 within the Paradise Knolls Specific Plan, which was adopted by the City in April 2016 (the "Specific Plan"). The Specific Plan proposed for the development of 650 residential units with trails, parks, and landscaped walkways within 107 acres of land that was formerly Paradise Knolls Golf Course.

The District is planned for 153 residential units being developed into two neighborhoods known as Ivory and Sterling by the Developer. Sterling is completely built out and consists of 35 single family detached residential units which have been conveyed to individual homeowners. Ivory is planned for 118 attached residential units, of which 63 completed residential units have been conveyed to individual homeowners as of September 1, 2026.

As of September 1, 2026, the Developer had completed and conveyed to individual homeowners 98 residential units within the District. Among those 98 residential units, 35 were detached residential units in the built out Sterling neighborhood and 63 were attached production residential units in the Ivory neighborhood. As of September 1, 2026, the remaining unsold 55 lots in the Ivory neighborhood were owned by the Developer and consisted of 4 completed model units, 15 production units over 95% complete (4 of which were in escrow), 26 units under construction (none of which were in escrow), and 10 finished lots. See "PROPERTY OWNERSHIP AND THE DEVELOPMENT."

Development and ownership have progressed since September 1, 2026, and as of November 1, 2026, the Developer had completed and conveyed 103 residential units within the District to individual homeowners. As of such date, the Developer owned 4 model units, 16 production units over 95% complete (8 of which were in escrow), 20 units under construction (none of which were in escrow), and 10 finished lots. The Developer expects to complete and convey all remaining homes to be constructed in the District to individual homeowners by the 4th quarter of 2027.

Description of Authorized Facilities

The Services District Facilities authorized to be financed from Bond proceeds consist of certain parks and park and recreation facilities, including park obligations, master plan water system facilities, including capacity in existing facilities, and master plan sewer system facilities, including capacity in existing facilities and sewage treatment and disposal capacity.

Estimated Direct and Overlapping Indebtedness

Within the District's boundaries are numerous overlapping local agencies providing public services. The existing and authorized indebtedness payable from taxes and assessments that may be levied upon the property within the District is shown in Table 2 (the "Debt Report"). In addition to current debt, new community facilities districts and/or special assessment districts could be formed in the future encompassing all or a portion of the property within the District; and such districts or the agencies that formed them could issue more bonds and levy additional special taxes or assessments. The appraised value-to-lien ratio within the District is summarized in Table 4.

TABLE 2
COMMUNITY FACILITIES DISTRICT NO. 58
OF JURUPA COMMUNITY SERVICES DISTRICT
DIRECT AND OVERLAPPING DEBT

I. APPRAISED VALUE

Appraised Valuation	$ 61,566,350

II. LAND SECURED BOND INDEBTEDNESS

Outstanding Direct and Overlapping Bonded Debt	*Type*	*Issued*	*Outstanding*	*% Applicable*	*Parcels in CFD 58*	*Amount Applicable*
Jurupa CSD CFD No. 58	CFD	$ 5,955,000*	$ 5,955,000(1)*	100.00%	153	$ 5,955,000*
Total Outstanding Land Secured Bonded Debt(2)						**$ 5,955,000***

Authorized and Unissued Direct and Overlapping Bonded Debt	*Type*	*Authorized*	*Unissued*	*% Applicable*	*Parcels in CFD 58*	*Amount Applicable*
Jurupa CSD CFD No. 58	CFD	$ 8,000,000	$ 0(3)	100.00%	153	$ 0
Total Unissued Land Secured Indebtedness(2)						**$ 0**

TOTAL OUTSTANDING AND UNISSUED LAND SECURED INDEBTEDNESS **$ 5,955,000***

III. GENERAL OBLIGATION BOND INDEBTEDNESS

Outstanding Direct and Overlapping Bonded Debt	*Type*	*Issued*	*Outstanding*	*% Applicable(4)*	*Parcels in CFD 58*	*Amount Applicable*
Riverside City Community College (0.027670%)	GO	$ 554,998,424	$ 437,915,000	0.02541%	153	$ 111,260
Jurupa Unified School District Debt Service (0.08000%)	GO	262,527,972	182,520,000	0.23258	153	424,508
MWD West (0.00850%)	GO	850,000,000	16,045,000	0.00103	153	165
Total Outstanding General Obligation Bonded Debt(2)						**$ 535,933**

Authorized and Unissued Direct and Overlapping Indebtedness	*Type*	*Authorized*	*Unissued*	*% Applicable(4)*	*Parcels in CFD 58*	*Amount Applicable*
Riverside City Community College (0.027670%)	GO	$ 1,304,000,000	$ 749,001,576	0.02541%	153	$ 190,297
Jurupa Unified School District Debt Service (0.08000%)	GO	382,000,000	119,472,028	0.23258	153	277,870
MWD West (0.00850%)	GO	850,000,000	0	0.00103	153	0
Total Unissued General Obligation Indebtedness						**$ 468,167**

TOTAL OUTSTANDING AND UNISSUED GENERAL OBLIGATION INDEBTEDNESS **$ 1,004,099**

TOTAL OF ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT	**$ 6,490,933***
TOTAL OF ALL OUTSTANDING AND UNISSUED DIRECT AND OVERLAPPING INDEBTEDNESS	**$ 6,959,099***

IV. Ratios to Appraised Valuation

Outstanding Land Secured Bonded Debt..... 10.34:1*
Total Outstanding Bonded Debt..... 9.48:1*

* *Preliminary, subject to change.*
(1) Amount outstanding is equal to the principal amount of the Bonds.
(2) Additional bonded debt or available bond authorization may exist but is not shown because a tax was not levied for Fiscal Year 2026-27.
(3) Additional bonds may be issued for refunding purposes only.
(4) Percentage applicable determined by Fiscal Year 2026-27 Equalized Roll Assessed Value information.
Source: Webb Municipal Finance, LLC.

Expected Tax Burden

In Fiscal Year 2027-28, Special Taxes are projected to be levied on taxable property in the District classified as Developed Property as of September 1, 2026 at rates equal to 100% of the rates set forth in Tables 1 and 2 of the Rates and Method (the "Assigned Special Tax Rates").

Table 3 below describes the estimated Fiscal Year 2027-28 effective tax burden for sample units within the District. The estimated Fiscal Year 2027-28 effective tax burden for sample units within the District was estimated using the District's projected Fiscal Year 2026-27 Special Tax levy based on estimated debt service for the Bonds for Fiscal Year 2026-27, as provided by the Underwriter, plus $40,000 in District administrative costs. Fiscal Year 2026-27 tax, assessment and parcel charge rates for entities other than the District were used to estimate Fiscal Year 2027-28 taxes, assessments and parcel charges for the other entities levying such taxes, assessments and parcel charges within the District. The estimated tax rates and amounts presented in this Official

Statement are based on currently available information. The actual amounts charged may vary and may increase in future years depending on the amount of Bonds outstanding, and the number of delinquencies in the District, among other factors.

TABLE 3
COMMUNITY FACILITIES DISTRICT NO. 58
OF JURUPA COMMUNITY SERVICES DISTRICT
PROJECTED TAX OBLIGATION[(1)]
FOR INDIVIDUALLY OWNED SAMPLE DEVELOPED PROPERTY

Average Home Value[(2)]	$ 508,183
Ad Valorem Property Taxes:	
Basic Levy (1.00000%)	$ 5,081.83
Riverside City Community College (0.027670%)	140.61
Jurupa Unified School District Debt Service (0.08000%)	406.55
MWD West (0.00850%)	43.20
Total General Property Taxes	**$ 5,672.19**
Assessment, Special Taxes & Parcel Charges:	
MWD Standby West	$ 9.22
CFD PS 2021-001 Paradise Knolls	253.50
Jurupa Park & Rec Maint	7.50
CFD 2016-1 Jurupa Rec & Park	522.52
CFD 58 Jurupa CSD Debt Service[(3)]	3,062.09
CFD 2019-001 Paradise Knolls A	374.50
CFD 2019-001 Paradise Knolls B	87.08
FLD CNTL STORMWATER/CLEANWATER	3.74*
NW Mosquito & Vector Cont Dist	2.24
Total Assessment Charges	**$ 4,322.39***
Average Total Property Tax	**$ 9,994.57***
Average Effective Tax Rate	**1.97%**

* *Preliminary, subject to change.*
(1) Average Fiscal Year 2027-28 tax rates based upon Fiscal Year 2026-27 Overlapping Taxes and Assessment Rates.
(2) Average Home Value is based upon average Appraised Values for parcels of developed conveyed to individual homeowners.
(3) Reflects the District Average Projected Fiscal Year 2027-28 Special Tax Levy for parcels of Developed Property.
Source: Webb Municipal Finance, LLC.

Appraisal Report

An MAI appraisal of the land and existing improvements within the District was prepared by Kitty Siino & Associates, Inc., Tustin, California. The Appraisal Report is titled "Appraisal Report – Jurupa Community Services District Community Facilities District No. 58 (Paradise Knolls)." See APPENDIX B — "APPRAISAL REPORT." The Appraisal Report sets forth an estimate of the market value of the fee simple interest of various properties within the District. The Appraiser is of the opinion that the aggregate market value and minimum market value of the taxable property and improvements in existence within the District as of September 1, 2026 was $61,566,350.

The Appraisal Report is based upon a variety of assumptions and limiting conditions that are described in APPENDIX B. The Services District makes no representation as to the accuracy of the Appraisal Report. See "— Estimated Appraised Value-to-Lien Ratio." There is no assurance that the property in the District can be sold for the prices set forth in the Appraisal Report or that any parcel can be sold for a price sufficient to pay

the Special Tax for that parcel in the event of a default in payment of Special Taxes by the landowner. See "SPECIAL RISK FACTORS — Land Values" and APPENDIX B — "APPRAISAL REPORT."

Estimated Appraised Value-to-Lien Ratio

Table 4 below sets forth the estimated value-to-lien ratio for the taxable property in the District, based upon the appraised value for such property as of September 1, 2026 and the projected Fiscal Year 2027-28 Special Tax levy assuming the development status within the District as of September 1, 2026. As of September 1, 2026, the appraised value from the Appraisal Report of the property within the District was $61,566,350. Dividing the appraised value by the principal amount of the portion of the Bonds plus all overlapping debt secured by a tax or assessment on the property within the District results in an estimated appraised value-to-lien of approximately 10.34*-to-1. When all overlapping issued general obligation debt is included in such calculation, the estimated appraised value-to-lien ratio equals approximately 9.48*-to-1.

* *Preliminary, subject to change*.

TABLE 4
COMMUNITY FACILITIES DISTRICT NO. 58
OF JURUPA COMMUNITY SERVICES DISTRICT
APPRAISED VALUE-TO-LIEN RATIOS BY PROPERTY OWNER

Development Status/ Property Owner[(1)]	*Parcels*	*Maximum Special Tax*	*Percent of Maximum Special Tax*	*Projected Fiscal Year 2027-28 Special Tax Levy*[(2)*]	*Percent of Projected Fiscal Year 2027-28 Special Tax Levy*[*]	*Appraised Value*	*Allocation of Bonds*[(3)*]	*Aggregate Value-to-Lien*[(4)*]
Developed Property								
Individual Homeowners	98	$ 324,855	65.83%	$ 300,084	68.05%	$ 49,801,945	$ 4,052,102	12.29:1
Century Communities	50	153,450	31.09	140,922	31.95	11,001,108	1,902,898	5.78:1
Subtotal Developed Property	148	$ 478,305	96.92%	$ 441,006	100.00%	$ 60,803,053	$ 5,955,000	10.21:1
Undeveloped Property[(5)]								
Century Communities	5	15,190	3.08	0	0.00	763,298	0	N/A
Subtotal Undeveloped Property	5	$ 15,190	3.08%	$ 0	0.00%	$ 763,298	$ 0	N/A
Total	**153**	**$ 493,495**	**100.00%**	$ 441,006	**100.00%**	**$ 61,566,350**	**$ 5,955,000**	**10.34:1**

* *Preliminary, subject to change.*

(1) Ownership status is based on information from Appraisal as of September 1, 2026.

(2) Includes the debt service requirement of the Bonds and $40,000 in estimated Fiscal Year 2027-28 priority administration.

(3) Based on projected Fiscal Year 2027-28 Special Tax levy.

(4) Aggregate Value-to-Lien based upon the par amount of the Bonds.

(5) No building permits have been issued on the undeveloped property. The Developer is not expected to pull building permits on these lots until the first quarter of 2027.

Source: Webb Municipal Finance, LLC.

Table 5 below sets forth the estimated value-to-lien ratio stratification of the taxable properties in the District, based upon the appraised values set forth in the Appraisal Report as of September 1, 2026 and the principal amount of the Bonds apportioned based on the projected Fiscal Year 2027-28 Special Tax levy.

TABLE 5
COMMUNITY FACILITIES DISTRICT NO. 58
OF JURUPA COMMUNITY SERVICES DISTRICT
APPRAISED VALUE-TO-LIEN STRATIFICATION FOR TAXABLE PROPERTY

Appraised Value-to-Lien[(1)]	*No. of Parcels*	*Percent of Total Parcels*	*Projected Fiscal Year 2027-28 Special Tax Levy*[(4)*]	*Percent of Fiscal Year 2027-28 Levy*[*]	*Maximum Special Tax*	*Percent of Total Maximum Special Tax*	*Appraised Value*	*Percent of Appraised Value*	*Allocation of Bonds*[(5)*]	*Aggregate Value-to-Lien*[*]
Less than 4.00:1[(2)]	17	11.49%	$ 49,743	11.28%	$ 52,700	11.02%	$ 2,595,212	4.27%	$ 671,686	3.86:1
4.00:1 to 7.99:1	14	9.46	37,991	8.61	42,532	8.89	2,137,233	3.52	513,005	4.17:1
8.00:1 to 11.99:1	45	30.41	133,512	30.27	146,650	30.66	19,223,783	31.62	1,802,846	10.66:1
Greater than 11.99:1[(3)]	72	48.65	219,760	49.83	236,423	49.43	36,846,825	60.60	2,967,463	12.42:1
Total	148	100.00%	$ 441,006	100.00%	$ 478,305	100.00%	$ 60,803,053	100.00%	$ 5,955,000	10.21:1

[*] *Preliminary, subject to change.*
(1) Appraised Value-to-Lien based upon par amount of the Bonds.
(2) Minimum estimated appraised value-to-lien is 3.86:1. There are 17 Developed parcels with an appraised value-to-lien less than 4.00:1 due to being in the early stages of construction per the Appraisal.
(3) Highest estimated appraised value-to-lien is 12.83:1.[*]
(4) Includes the debt service requirement of the Bonds and $40,000 in estimated Fiscal Year 2027-28 priority administration.
(5) Based on projected Fiscal Year 2027-28 Special Tax levy.
Source: Webb Municipal Finance, LLC.

Delinquency History

Fiscal Year 2025-26 was the first year the District levied the Special Tax. The District levied a total of $207,325.00 in Special Taxes on 48 parcels categorized as Developed Property. This amount, including additional moneys collected as penalties and interest due to Special Tax delinquency, will be used to finance various public improvements within the District. See "Estimated Sources and Uses of Funds – Funds on Hand" above.

One parcel was delinquent in the amount of $2,800.00, representing approximately 1.35% of the total Special Tax Levy for Fiscal Year 2025-26. As of August 20, 2026, the delinquent Special Tax had been paid in full, and the District had no outstanding Special Tax delinquencies.

PROPERTY OWNERSHIP AND THE DEVELOPMENT

Representatives of the Developer have provided the information in this section regarding the Developer and the development in the District. None of the Underwriter, the District or the Services District has independently confirmed or verified the information in this section of the Official Statement nor does any such party make any representation as to accuracy or adequacy of this information. Further, there may be material adverse changes in this information after the date of this Official Statement.

The information provided in this section has been included because it may be considered relevant to an informed evaluation and analysis of the Bonds. No assurance can be given, however, that the proposed development of the property will occur in a timely manner or in the configuration or to the density described herein, or that the Developer, any owners or affiliates thereof, or any other property owner described herein will or will not retain ownership of its respective property. Further, there may be material adverse changes in this information after the date of this Official Statement.

Neither the Bonds nor any of the Special Taxes are personal obligations of any property owner and, in the event that the Developer or any other current or subsequent property owner defaults in the payment of the Special Taxes, the Services District may proceed with judicial foreclosure but has no direct recourse to the assets of the Developer or any other current or subsequent property owner. As a result, other than as provided in the Official Statement, no financial statements or information is, or will be, provided about the Developer or any other current or subsequent property owner. The Bonds are secured solely by the Special Taxes and other amounts pledged under the Fiscal Agent Agreement. See "SOURCES OF PAYMENT FOR THE BONDS" and "SPECIAL RISK FACTORS."

The Developer

The Developer, is a subsidiary of Century Communities, Inc., a Delaware corporation ("Century Parent"). The Century Parent, and its subsidiaries including the Developer, is engaged in the design, construction, and sale of single-family attached and detached homes in 17 states under the Developer and Century Complete brands. The Century Parent offers title, insurance, and lending services in select markets through its Parkway Title, IHL Home Insurance Agency, and Inspire Home Loan subsidiaries.

The Century Parent is a publicly traded company listed on the New York Stock Exchange under the ticker symbol "CCS." The Century Parent is subject to the informational requirements of the Securities Exchange Act of 1934, and in accordance therewith is obligated to file reports, proxy statements, and other information, including financial statements, with the Securities and Exchange Commission (the "SEC"). Such filings set forth, among other things, certain data relative to the consolidated results of operations and financial position of the Century Parent and its subsidiaries (including the Developer). The SEC maintains an internet website that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC, including the Century Parent. The address of such internet web site is www.sec.gov. All documents subsequently filed by the Century Parent pursuant to the requirements of the Securities Exchange

Act of 1934 after the date of this Official Statement will be available for inspection in such manner as the SEC prescribes. Copies of the Century Parent's annual report, quarterly reports and current reports, including any amendments, are available from the Century Parent's website at www.investors.centurycommunities.com.

The foregoing websites are and references to filings with the SEC are given for reference and convenience only, and the information on such websites and on file with the SEC does not form a part of this Official Statement and is not incorporated by reference herein. No representation is made in this Official Statement as to the accuracy or adequacy of the information contained on such websites. The Developer and Century Parent are not obligated to advance funds for construction or development or to pay ad valorem property taxes or the Special Taxes and investors should not rely on the information and financial statements contained on such websites in evaluating whether to buy, hold or sell the Bonds. The information contained on such websites may be incomplete or inaccurate and has not been reviewed by the Services District, the District or the Underwriter.

The Development Plan

General. The District contains approximately 10.4 net acres located in the southwestern portion of the City and in the northwestern portion of the County. The District, the boundaries of which are non-contiguous, is located east of Interstate 15 and south of the 60 Freeway, at the southwest and southeast corners of Limonite Avenue and Beach Street, just north of the Santa Ana River.

The District is identified as Planning Area 2 within the Specific Plan. The Specific Plan proposed for the development of 650 residential units with trails, parks, and landscaped walkways within 107 acres of land that was formerly Paradise Knolls Golf Course. Under the Specific Plan, the property within the District is designated for High Density Residential (20+ dwelling unit per acre). The Specific Plan states a target dwelling unit count of 300 within the District. The District's proposed residential unit count of 153 units is well within the allowed range permitted by the Specific Plan.

The District is planned for 153 residential units being developed into two neighborhoods known as Ivory and Sterling by the Developer. Sterling is completely built out and consists of 35 single family detached residential units which have been conveyed to individual homeowners. Ivory is planned for 118 attached residential units, of which 63 completed residential units have been conveyed to individual homeowners as of September 1, 2026. The District is within the Tract Map Nos. 38257 and 38258, both of which were recorded in December 7, 2023 with the County of Riverside. Tract Map No. 38258 (Sterling) contains 2.619 gross acres mapped into 35 detached residential units with a typical lot size of approximately 2,000 square feet. Tract Map No. 38257 (Ivory) contains 7.944 gross acres and a site plan allowing development of 118 attached residential units. The tract maps include internal streets and setback areas.

As of September 1, 2026, the Developer had completed and conveyed to individual homeowners 98 residential units within the District between December 27, 2024 and September 1, 2026. Among those 98 residential units, 35 were detached residential units in the built out Sterling neighborhood and 63 were attached production residential units in the Ivory neighborhood. As of September 1, 2026, the remaining unsold 55 lots in the Ivory neighborhood were owned by the Developer and consisted of 4 completed model units, 15 production units over 95% complete (4 of which were in escrow), 26 units under construction (none of which were in escrow), and 10 finished lots. The Developer expects to complete and convey all homes within the District in October, 2027.

Development and ownership have progressed since September 1, 2026, and as of November 1, 2026, the Developer had completed and conveyed 103 residential units within the District to individual homeowners. As of such date, the Developer owned 4 model units, 16 production units over 95% complete (8 of which were in escrow), 20 units under construction (none of which were in escrow), and 10 finished lots. The Developer expects to complete and convey all remaining homes to be constructed in the District to individual homeowners by the 4th quarter of 2027.

The Developer is not aware of the presence or federally classified hazardous substances located on its property within the District, and does not believe that such a current liability exists with respect to any parcel owned by the Developer in the District. Additionally, the Federal Emergency Management Agency has determined that the District is located in Zone "X" flood area (an area of minimal flooding, outside the 100-year and 500-year flood plains), and flood insurance will not be required. The District is not located within a Very High Fire Hazard Severity zone. This is consistent with the CalFire Fire Hazard Severity Zone Map. The District is not located within a California Earthquake Hazard Zone, with the nearest active fault being the San Jacinto Fault approximately 20 miles to the east. The land within the District is not subject to liquefaction. See "SPECIAL RISK FACTORS — Natural Disasters."

Sterling. The Sterling neighborhood is built out and consists of 35 completed single family detached residential units in a cluster format, all of which have been conveyed to individual homeowners. The homes within Sterling neighborhood consist of two-story floor plans, ranging from three to four bedrooms and 1,623 square feet to 1,958 square feet of living space.

Ivory. The Ivory neighborhood consists of 118 proposed attached residential units, of which 63 of the completed residential units were sold to individual homeowners. The homes within Ivory neighborhood consist of two-story floor plans, ranging from two to three bedrooms and 1,148 square feet to 1,554 square feet of living space. As of September 1, 2026, base sales prices within the Ivory neighborhood ranged from $496,990 to $558,990.

The following table describes the development and ownership status as of September 1, 2026 by floor plan within the Ivory neighborhood.

TABLE 6
DEVELOPMENT AND OWNERSHIP STATUS
(AS OF SEPTEMBER 1, 2026)
(Ivory Neighborhood)

Floor Plan	*Approx. Plan Square Footage*	*Total Units Planned*	*Estimated Base Home Prices*[1]	*Units Owned by Individuals*	*Units 95%+ Completed But Not Closed to Homeowners*[2]	*Units Under Construction*	*Finished Pads/Lots*[3]
1	1,148	28	$496,990	14	6	6	2
2	1,395	28	526,990	15	5	6	2
3	1,490	28	553,990	17	3	6	2
4	1,554	34	558,990	17	5	8	4
Total Ivory		**118**		63	19	26	10

(1) Base sales prices are subject to change and exclude any lot premiums, options, upgrades, incentives, and any selling concessions. The Developer is currently offering homebuyers, among other things, mortgage interest rate buydown incentives.
(2) Includes 4 model homes for Ivory, one for each Ivory floor plan. Also includes 4 production units in escrow.
(3) Finished pad/lot means that such lot has finish grade certification and is able to start home construction but home construction has not yet commenced.
Source: The Developer.

Although the information in this Official Statement reflects the current development expectations of the Developer, no assurance can be given that home construction and sales will be carried out on the schedule and according to the plans described herein, or that the home construction and sale plans or base prices set forth above will not change after the date of this Official Statement. The Developer reserves the right to change its development plans at any time without notice. Additionally, homes under contract to be sold may not result in closed escrows as sales contracts are subject to cancellation by the homebuyer. See "SPECIAL RISK FACTORS — Risks of Real Estate Secured Investments."

Financing Plan

To date, the Developer has financed its land acquisition and various site development and home construction costs related to its property in the District through internally generated funds (which may include funding from its parent company, Century Parent). As of September 1, 2026, the Developer had expended approximately $22,533,163 on land acquisition, land development, homebuilding, marketing and sales costs. As of such date, the Developer expected to incur approximately $2,603,727 on remaining land development costs (final street work and landscaping, and bond exoneration) and approximately $3,168,272 on remaining homebuilding, marketing, and sales costs for its property in the District.

The Developer expects to use home sales revenues and internal funding to complete its development in the District. The Developer believes that it will have sufficient funds available to complete its planned development in the District in accordance with the development schedule described in this Official Statement.

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

SPECIAL RISK FACTORS

The purchase of the Bonds involves significant investment risks and, therefore, the Bonds are not suitable investments for many investors. The following is a discussion of certain risk factors which should be considered, in addition to other matters set forth in this Official Statement, in evaluating the investment quality of the Bonds. The Bonds have not been rated by a rating agency. This discussion does not purport to be comprehensive or definitive and does not purport to be a complete statement of all factors which may be considered as risks in evaluating the credit quality of the Bonds. The occurrence of one or more of the events discussed in this section of this Official Statement could adversely affect the ability or willingness of property owners in the District to pay their Special Taxes when due. Such failures to pay Special Taxes could result in the inability of the Services District to make full and punctual payments of debt service on the Bonds. In addition, the occurrence of one or more of the events discussed in this section of this Official Statement could adversely affect the value of the property in the District. See "— Land Values" and "— Limited Secondary Market" below.

Risks of Real Estate Secured Investments Generally

The Bond Owners will be subject to the risks generally incident to an investment secured by real estate, including, without limitation, (i) adverse changes in local market conditions, such as changes in the market value of real property in the vicinity of the District, the supply of or demand for competitive properties in such area, and the market value of residential property or buildings and/or sites in the event of sale or foreclosure; (ii) changes in real estate tax rates and other operating expenses, governmental rules (including, without limitation, zoning laws and laws relating to endangered species and hazardous materials) and fiscal policies; and (iii) natural disasters (including, without limitation, earthquakes, wildfires and floods), which may result in uninsured losses; (iv) adverse changes in local market conditions; and (v) increased delinquencies due to rising mortgage costs and other factors.

No assurance can be given that the individual homeowners will pay Special Taxes in the future or that they will be able to pay such Special Taxes on a timely basis. See "SPECIAL RISK FACTORS — Bankruptcy and Foreclosure" below, for a discussion of certain limitations on the District's ability to pursue judicial proceedings with respect to delinquent parcels.

Limited Obligations

The Bonds and related interest are not payable from the general funds of the Services District. Except with respect to the Special Taxes, neither the credit nor the taxing power of the District or the Services District is pledged for the payment of principal or interest of the Bonds, and, except as provided in the Fiscal Agent Agreement, no Owner of the Bonds may compel the exercise of any taxing power by the District or the Services District or force the forfeiture of any Services District or District property. The principal of, premium, if any, and interest on the Bonds are not a debt of the Services District or a legal or equitable pledge, charge, lien or encumbrance upon any of the Services District's or the District's property or upon any of the Services District's or the District's income, receipts or revenues, except the Special Taxes and other amounts pledged under the Fiscal Agent Agreement.

Insufficiency of Special Taxes

Under the Rates and Method, the annual amount of Special Tax to be levied on each taxable parcel in the District will generally be based on whether such parcel is categorized as Undeveloped Property or as Developed Property and on the land use class to which a parcel of Developed Property is assigned. See APPENDIX A — "RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX" and "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes — *Rates and Method of Apportionment of Special Taxes.*"

The maximum Special Taxes that may be levied within the District are at least 110% of Maximum Annual Debt Service on the Bonds. Notwithstanding that the maximum Special Taxes that may be levied in the District exceeds debt service due on the Bonds, the Special Taxes collected could be inadequate to make timely payment of debt service either because of nonpayment or because property becomes exempt from taxation as permitted in the Rates and Method.

Special Taxes will be levied on property in the District to pay annual debt service on the Bonds (and any Parity Bonds issued for refunding purposes) on the basis of these percentages, provided that the foregoing percentages will change in the event of Special Tax Prepayments. As a consequence of any of the foregoing limitations, in the event of significant delinquencies in the District, causing a depletion of all amounts on deposit in the Reserve Fund, there would not be sufficient Special Tax Revenues to pay the full amount of annual debt service on the Bonds unless and until the delinquent Special Taxes were collected in the District through foreclosure action or otherwise. See "— Bankruptcy and Foreclosure" below for a discussion of potential delays in foreclosure actions.

Pursuant to the Rates and Method, under no circumstances may the Special Tax levied against any parcel used for private residential purposes be increased as a consequence of delinquency or default by owner of any other parcel or parcels within the District by more than 10% in any fiscal year. Thus, the Services District may not be able to increase Special Tax levies in future fiscal years by enough to make up for delinquencies for prior fiscal years. This would result in draws on the Reserve Fund, and if delinquencies continue and in the aggregate exceed the Reserve Fund balance, defaults would occur in the payment of principal and interest on the Bonds. See "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes — *10% Limitation on Increases in the Special Tax Levy as a Result of Delinquencies*."

The Rates and Method governing the levy of the Special Tax expressly exempts up to 6.38 Net Acres of property in the District owned by public agencies and other exempt entities in District. See Section E of APPENDIX A — "RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX." If for any reason property within the District becomes exempt from taxation by reason of ownership by a non-taxable entity such

as the federal government, another public agency or a religious organization, subject to the limitations of the maximum authorized rates, the Special Tax will be reallocated to the remaining taxable properties within the District. This would result in the owners of such property paying a greater amount of the Special Tax and could have an adverse impact upon the ability and willingness of the owners of such property to pay the Special Tax when due.

The Act provides that, if any property within the District not otherwise exempt from the Special Tax is acquired by a public entity through a negotiated transaction, or by gift or devise, the Special Tax will continue to be levied on and enforceable against the public entity that acquired the property. In addition, the Act provides that, if property subject to the Special Tax is acquired by a public entity through eminent domain proceedings, the obligation to pay the Special Tax with respect to that property is to be treated as if it were a special assessment and be paid from the eminent domain award. The constitutionality and operation of these provisions of the Act have not been tested in the courts. Due to problems of collecting taxes from public agencies, if a substantial portion of land within the District was to become owned by public agencies, collection of the Special Tax might become more difficult and could result in collections of the Special Tax which might not be sufficient to pay principal of and interest on the Bonds when due and a default could occur with respect to the payment of such principal and interest.

Special Tax Delinquencies

Under provisions of the Act, the Special Taxes, from which funds necessary for the payment of principal of, and interest on, the Bonds are derived, are customarily billed to the properties within the District on the *ad valorem* property tax bills sent to owners of such properties. The Act currently provides that such Special Tax installments are due and payable, and bear the same penalties and interest for non-payment, as do *ad valorem* property tax installments.

See "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes — *Proceeds of Foreclosure Sales*," for a discussion of the provisions which apply, and procedures which the Services District is obligated to follow under the Fiscal Agent Agreement, in the event of delinquencies in the payment of Special Taxes. See "SPECIAL RISK FACTORS — FDIC/Federal Government Interests in Properties" below, for a discussion of the policy of the Federal Deposit Insurance Corporation (the "FDIC") regarding the payment of special taxes and assessment and limitations on the Services District's ability to foreclose on the lien of the Special Taxes in certain circumstances where property within the District is owned by the federal government, agencies of the federal government, or, possibly, government sponsored enterprises such as Federal National Mortgage Association ("Fannie Mae") and Federal Home Loan Mortgage Corporation ("Freddie Mac").

The Services District has the authority and the obligation, subject to the Act and the maximum Special Tax rates set forth in the Rates and Method, to increase the levy of Special Taxes against non-delinquent property owners in the District in the event other owners in the District are delinquent. Pursuant to the Rates and Method, under no circumstances may the Special Tax levied against any parcel used for private residential purposes be increased as a consequence of delinquency or default by owner of any other parcel or parcels within the District by more than 10% in any fiscal year. Thus, the Services District may not be able to increase Special Tax levies in future fiscal years by enough to make up for delinquencies for prior fiscal years. This would result in draws on the Reserve Fund, and if delinquencies continue and in the aggregate exceed the Reserve Fund balance, defaults would occur in the payment of principal and interest on the Bonds.

Moreover, the District does not participate in the County's Teeter Plan. See "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes — *No Teeter Plan*."

Although the Services District has covenanted in the Fiscal Agent Agreement to commence and diligently pursue foreclosure under the circumstances described under the caption "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes — *Proceeds of Foreclosure Sales,*" foreclosure delays may occur under the circumstances described under the caption "SPECIAL RISK FACTORS — Bankruptcy and Foreclosure."

Delinquencies may result as a consequence of many factors. See "SPECIAL RISK FACTORS," generally, for discussions of certain potential causes of delinquencies.

Concentration of Ownership

Based on property ownership as of September 1, 2026, the Developer is projected to be responsible for approximately 31.95% of the projected Fiscal Year 2027-28 Special Tax levy within the District, with individual homeowners expected to be responsible for approximately 68.05%. While the District includes 98 parcels of completed residential units owned by individual homeowners as of September 1, 2026, the inability or refusal of the Developer to pay the Special Tax applicable to their property within the District when due could result in a draw on the Reserve Fund prior to replenishment thereof from sale or foreclosure proceedings, and/or insufficient money with which to pay the principal of and interest on the Bonds as the same became due. Additionally, pursuant to the Act, the Special Taxes levied in any fiscal year against any parcel of residential property in the District may not be increased as a consequence of delinquency or default by the owners of any other parcels within the District by more than 10% above the amount that would have been levied in that fiscal year had there never been any such delinquencies or default. As a result, while the Maximum Special Taxes pursuant to the Rates and Method may be higher, Maximum Special Taxes on residential parcels cannot be greater than 110% of the projected actual Special Tax levy on such parcels.

Geologic, Topographic and Climatic Conditions

The market value of the property within the District can be adversely affected by a variety of factors which may affect public and private improvements. Such additional factors include, without limitation, geologic conditions (such as earthquakes), topographic conditions (such as earth movements) and climatic conditions (such as droughts, fire hazard and floods).

With respect to geologic conditions, building codes require that some of these factors be taken into account in the design of private improvements of the parcels, and the County has adopted the Uniform Building Code standards with regard to seismic standards. Design criteria are established upon the basis of a variety of considerations and may change, leaving previously designed improvements unaffected by more stringent subsequently established criteria. In general, design criteria reflect a balance at the time of establishment between the present costs of protection and the future costs of lack of protection, based in part upon a present perception of the probability that the condition will occur and the seriousness of the condition should it occur. Consequently, neither the absence of nor the establishment of design criteria with respect to any particular condition means that the applicable governmental agency has evaluated the condition and has established design criteria in the situations in which such criteria are needed to preserve value, or has established such criteria at levels that will preserve value. To the contrary, the District expects that one or more of such conditions may occur and may result in damage to improvements of varying seriousness, that the damage may entail significant repair or replacement costs and that repair or replacement may never occur either because of the cost, 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, the actual value of the parcels may well depreciate or disappear, notwithstanding the establishment of design criteria for any such condition.

Southern California is a seismically active area. Seismic activity represents a potential risk for damage to buildings, roads, bridges and property within the District. In addition, land susceptible to seismic activity may be subject to liquefaction during the occurrence of such event. Although the land within the District is subject to seismic activity, it is not located within an Alquist-Priolo Earthquake Fault Zone.

In recent years, wildfires have caused extensive damage throughout the State, including within the County. Certain of these fires have burned thousands of acres and destroyed hundreds and in some cases thousands of homes. In some instances, entire neighborhoods have been destroyed. Several of the fires that occurred recently damaged or destroyed property in areas that were not previously considered to be at risk from such events. The District experiences high winds known as Santa Ana winds which frequently accompany and

magnify the intensity of wildfires. There is a risk of homes within the District being destroyed by wildfires and no assurance can be given as to the severity or frequency of wildfires within the vicinity of the District. Additionally, property located adjacent to burn areas can be subject to mudslides and flooding, which can cause significant damage and destruction to property. Based on the wildfire hazard severity zone maps for the Southern California region released on March 24, 2025 by CalFire, none of the property within the District is located within a Very High Fire Hazard Severity zone within a Local Responsibility Area.

The Bain Fire was a wildfire in the City of Jurupa Valley, east of the District, that started on May 19, 2026. The fire burned quickly and reached approximately 1,497 acres before being fully contained by May 29, 2026.

The Federal Emergency Management Agency has determined that the District is located in a Zone "X" flood area (an area of minimal flooding, outside the 500-year floodplain), and flood insurance will not be required. Although the land within the District is subject to seismic activity, it is not located within an Alquist-Priolo Earthquake Fault Zone.

In the event of a severe earthquake, fire, flood or other natural disaster, there may be significant damage to both property and infrastructure in the District. As a result, a substantial portion of the property owners may be unable or unwilling to pay the Special Taxes when due. In addition, the value of land in the District could be diminished in the aftermath of such a natural disaster, reducing the resulting proceeds of foreclosure sales in the event of delinquencies in the payment of the Special Taxes.

Property Insurance

In recent years, homeowners in many areas in the State have experienced significant increases in premiums for property and homeowners' insurance policies as well as difficulty in obtaining such insurance from commercial insurance companies. Such increases in the overall cost of homeownership could have a material adverse effect on the rate of absorption of the remaining units in the District and on a homeowner's willingness and/or ability to pay the Special Taxes.

In addition, no assurances can be made that adequate homeowners' insurance coverage will be available in the future from reputable insurance companies, with premiums comparable to historical rates, or at all. The inability to obtain adequate insurance coverage could impact the ability of the homeowners' in the District to reconstruct their homes in the event of damage.

Hazardous Substances

The presence of hazardous substances on a parcel may result in a reduction in the value of a parcel. In general, the owners and operators of a parcel 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, but California laws with regard to hazardous substances are also stringent and similar. 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 taxed parcels be affected 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.

Further, it is possible that liabilities may arise in the future with respect to any of the parcels 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 that is realizable upon a delinquency and the willingness or ability of the owner of any parcel to pay the Special Tax installments.

The value of the taxable property within the District, as set forth in the various tables in this Official Statement, does not reflect the presence of any hazardous substance or the possible liability of the owner (or operator) for the remedy of a hazardous substance condition of the property. The District has not independently verified, but is not aware, that any owner (or operator) of any of the parcels within the District has such a current liability with respect to any such parcel. The Developer represents that it is not aware of any hazardous substances located on its property within the District in violation of any state or federal law. However, it is possible that such liabilities do currently exist and that neither the District nor the Developer is aware of them.

Parity Taxes and Special Assessments

Property within the District is subject to taxes imposed by public agencies also having jurisdiction over the land within the District. See "THE DISTRICT — Estimated Direct and Overlapping Indebtedness."

The Special Taxes and any related penalties will constitute a lien against the units and parcels of land on which they will be annually imposed until they are paid. Such lien is on a parity with all special taxes and special assessments levied by the Services District and other agencies and is co-equal to and independent of the lien for general property taxes regardless of when they are imposed upon the same property. The Special Taxes have priority over all existing and future private liens imposed on the property except, possibly, for liens or security interests held by the Federal Deposit Insurance Corporation. See "SPECIAL RISK FACTORS — Bankruptcy and Foreclosure" below.

Neither the Services District nor the District has control over the ability of other entities and districts to issue indebtedness secured by special taxes, *ad valorem* taxes or assessments payable from all or a portion of the property within the District. In addition, the landowners within the District may, without the consent or knowledge of the Services District, petition other public agencies to issue public indebtedness secured by special taxes, *ad valorem* taxes or assessments. Any such special taxes, *ad valorem* taxes or assessments may have a lien on such property on a parity with the Special Taxes and could reduce the estimated value-to-lien ratios for property within the District described in this Official Statement. See "SOURCES OF PAYMENT FOR THE BONDS" and "THE DISTRICT — Estimated Direct and Overlapping Indebtedness."

Disclosures to Future Purchasers

The willingness or ability of an owner of a parcel to pay the Special Tax even if the value of the parcel is sufficient may be affected by whether or not the owner was given due notice of the Special Tax authorization at the time the owner purchased the parcel, was informed of the amount of the Special Tax on the parcel should the Special Tax be levied at the maximum tax rate and the risk of such a levy, and, at the time of such a levy, has the ability to pay it as well as pay other expenses and obligations. The Services District has caused a notice of the Special Tax lien to be recorded in the Office of the Recorder for the County against each parcel. While title companies normally refer to such notices in title reports, there can be no guarantee that such reference will be made or, if made, that a prospective purchaser or lender will consider such Special Tax obligation in the purchase of a property within the District or lending of money thereon.

The Act requires the subdivider (or its agent or representative) of a subdivision to notify a prospective purchaser or long-term lessor of any lot, parcel, or unit subject to a Mello-Roos special tax of the existence and maximum amount of such special tax using a statutorily prescribed form. California Civil Code Section 1102.6b requires that in the case of transfers other than those covered by the above requirement, the seller must at least make a good faith effort to notify the prospective purchaser of the special tax lien in a format prescribed by statute. Failure by an owner of the property to comply with the above requirements, or failure by a purchaser or

lessor to consider or understand the nature and existence of the Special Tax, could adversely affect the willingness and ability of the purchaser or lessor to pay the Special Tax when due.

Non-Cash Payments of Special Taxes

Under the Act, the Board of Directors as the legislative body of the District may reserve to itself the right and authority to allow the owner of any taxable parcel to tender a Bond in full or partial payment of any installment of the Special Taxes or related interest or penalties. A Bond so tendered is to be accepted at par and credit is to be given for any interest accrued thereon to the date of the tender. Thus, if Bonds can be purchased in the secondary market at a discount, it may be to the advantage of an owner of a taxable parcel to pay the Special Taxes applicable thereto by tendering a Bond. Such a practice would decrease the cash flow available to the Services District to make payments with respect to other Bonds then outstanding; and, unless the practice was limited by the Services District, the Special Taxes paid in cash could be insufficient to pay the debt service due with respect to such other Bonds. In order to provide some protection against the potential adverse impact on cash flows which might be caused by the tender of Bonds in payment of Special Taxes, the Fiscal Agent Agreement includes a covenant pursuant to which the Services District will not authorize owners of taxable parcels to satisfy Special Tax obligations by the tender of Bonds unless the Services District shall have first obtained a report of an Independent Financial Consultant certifying that doing so would not result in the Services District having insufficient Special Tax revenues to pay the principal of and interest on all Outstanding Bonds when due.

Payment of the Special Tax is not a Personal Obligation of the Owners

An owner of a taxable parcel is not personally obligated to pay the Special Tax. Rather, the Special Tax is an obligation which is secured only by a lien against the taxable parcel. If the value of a taxable parcel is not sufficient, taking into account other liens imposed by public agencies, to secure fully the Special Tax, the District has no recourse against the owner.

Land Values

The value of the property within the District is a critical factor in determining the investment quality of the Bonds. If a property owner is delinquent in the payment of Special Taxes, the Services District's only remedy is to commence foreclosure proceedings against the delinquent parcel in an attempt to obtain funds to pay the Special Taxes. Reductions in property values due to a downturn in the economy, physical events such as earthquakes, fires or floods, stricter land use regulations or other events will adversely impact the security underlying the Special Taxes. See "THE DISTRICT — Estimated Appraised Value-to-Lien Ratio."

The Appraiser has estimated, on the basis of certain definitions, assumptions and limiting conditions contained in the Appraisal Report that, as of September 1, 2026, the market value of the property within the District was $61,566,350. The Appraisal Report does not reflect any possible negative impact which could occur by reason of the presence of hazardous substances or other adverse soil conditions within the District or other similar conditions. See "THE DISTRICT — Appraisal Report" and APPENDIX B — "APPRAISAL REPORT."

The Appraisal Report indicates the Appraiser's opinion as to the market value of the builder owned property and the minimum market value of the individually owned property referred to therein as of the date and under the conditions specified therein, subject to the conditions prevailing in the applicable market as of the date of value. The Appraiser's opinion does not predict the future value of the subject property, and there can be no assurance that market conditions will not change adversely in the future.

Prospective purchasers of the Bonds should not assume that the property within the District could be sold for the appraised amount at a foreclosure sale for delinquent Special Taxes. In arriving at the estimate of market value, the Appraiser assumes that any sale will be unaffected by undue stimulus and will occur following

a reasonable marketing period, which is not always present in a foreclosure sale. See APPENDIX B — "APPRAISAL REPORT" for a description of other assumptions made by the Appraiser and for the definitions and limiting conditions used by the Appraiser. Any event which causes one of the Appraiser's assumptions to be untrue could result in a reduction of the value of the land within the District from that estimated by the Appraiser.

No assurance can be given that any bid will be received for a parcel with delinquent Special Taxes offered for sale at foreclosure or, if a bid is received, that such bid will be sufficient to pay all delinquent Special Taxes. See "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes — *Proceeds of Foreclosure Sales*."

FDIC/Federal Government Interests in Properties

The ability of the Services District to collect interest and penalties specified by the Act and to foreclose the lien of delinquent Special Taxes may be limited in certain respects with regard to parcels in which the FDIC, or other federal government entities such as Fannie Mae or Freddie Mac, has or obtains an interest.

In the case of FDIC, in the event that any financial institution making a loan which is secured by parcels is taken over by the FDIC and the applicable Special Tax is not paid, the remedies available to the Services District may be constrained. The FDIC's policy statement regarding the payment of state and local real property taxes (the "Policy Statement") provides that taxes other than *ad valorem* taxes which are secured by a valid lien in effect before the FDIC acquired an interest in a property will be paid unless the FDIC determines that abandonment of its interests is appropriate. The Policy Statement provides that the FDIC generally will not pay installments of non-*ad valorem* taxes which are levied after the time the FDIC acquires its fee interest, nor will the FDIC recognize the validity of any lien to secure payment except in certain cases where the Resolution Trust Corporation had an interest in property on or prior to December 31, 1995. Moreover, the Policy Statement provides that, with respect to parcels on which the FDIC holds a mortgage lien, the FDIC will not permit its lien to be foreclosed out by a taxing authority without its specific consent, nor will the FDIC pay or recognize liens for any penalties, fines or similar claims imposed for the non-payment of taxes.

The FDIC has taken a position similar to that expressed in the Policy Statement in legal proceedings brought against Orange County in United States Bankruptcy Court and in Federal District Court. The Bankruptcy Court issued a ruling in favor of the FDIC on certain of such claims. Orange County appealed that ruling, and the FDIC cross-appealed. On August 28, 2001, the Ninth Circuit Court of Appeals issued a ruling favorable to the FDIC except with respect to the payment of pre-receivership liens based upon delinquent property tax.

The Services District is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency with respect to parcels in which the FDIC has or obtains an interest, although prohibiting the lien of the FDIC to be foreclosed out at a judicial foreclosure sale would prevent or delay the foreclosure sale.

In the case of Fannie Mae and Freddie Mac, in the event a parcel of taxable property is owned by a federal government entity or federal government sponsored entity, such as Fannie Mae or Freddie Mac, or a private deed of trust secured by a parcel of taxable property is owned by a federal government entity or federal government sponsored entity, such as Fannie Mae or Freddie Mac, the ability to foreclose on the parcel or to collect delinquent Special Taxes may be limited. Federal courts have held that, based on the supremacy clause of the United States Constitution "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, anything in the Constitution or Laws of any State to the contrary notwithstanding." 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. This means that, unless Congress has otherwise provided, if a

federal government entity owns a parcel of taxable property 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 Services District 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 a parity with the Special Taxes and preserve the federal government's mortgage interest. For a discussion of risks associated with taxable parcels within the District becoming owned by the federal government, federal government entities or federal government sponsored entities, see "— Insufficiency of Special Taxes."

The Services District's remedies may also be limited in the case of delinquent Special Taxes with respect to parcels in which other federal agencies (such as the Internal Revenue Service and the Drug Enforcement Administration) have or obtain an interest.

Bankruptcy and Foreclosure

Bankruptcy, insolvency and other laws generally affecting creditors' rights could adversely impact the interests of owners of the Bonds in at least two ways. First, the payment of property owners' taxes and the ability of the Services District to foreclose the lien of a delinquent unpaid Special Tax pursuant to its covenant to pursue judicial foreclosure proceedings may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State relating to judicial foreclosure. See "SOURCES OF PAYMENT FOR THE BONDS — Special Taxes — *Proceeds of Foreclosure Sales*." In addition, the prosecution of a foreclosure could be delayed due to many reasons, including crowded local court calendars or lengthy procedural delays.

Although a bankruptcy proceeding would not cause the Special Taxes to become extinguished, the amount of any Special Tax lien could be modified if the value of the property falls below the value of the lien. If the value of the property is less than the lien, such excess amount could be treated as an unsecured claim by the bankruptcy court. In addition, bankruptcy of a person or entity with an interest in the applicable property could result in a delay in prosecuting Superior Court foreclosure proceedings. Such delay would increase the likelihood of a delay or default in payment of delinquent Special Tax installments and the possibility of delinquent Special Tax installments not being paid in full.

The various legal opinions to be delivered concurrently with the delivery of the Bonds (including Bond Counsel's approving legal opinion) will be qualified, as to the enforceability of the various legal instruments, by moratorium, bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

Moreover, the ability of the Services District to commence and prosecute enforcement proceedings may be limited by bankruptcy, insolvency and other laws generally affecting creditors' rights (such as the Soldiers' and Sailors' Relief Act of 1940) and by the laws of the State relating to judicial foreclosure.

No Acceleration Provision

The Bonds do not contain a provision allowing for the acceleration of the Bonds in the event of a payment default or other default under the Bonds or the Fiscal Agent Agreement or in the event interest on the Bonds becomes included in gross income for federal income tax purposes. See "— Limitations on Remedies" below.

Potential Early Redemption of Bonds from Special Tax Prepayments

Property owners within the District are permitted to prepay their Special Taxes at any time. Such payments will result in a mandatory redemption of Bonds from Special Tax Prepayments on the Interest Payment Date for which timely notice may be given under the Fiscal Agent Agreement following the receipt of such Special Tax Prepayment. The resulting redemption of Bonds purchased at a price greater than par could reduce the otherwise expected yield on such Bonds. See "THE BONDS — Redemption — *Mandatory Redemption from Special Tax Prepayments*."

Loss of Tax Exemption

As discussed under the caption "LEGAL MATTERS — Tax Exemption," the interest on the Bonds could become includable in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds as a result of a failure of the Services District to comply with certain provisions of the Internal Revenue Code of 1986, as amended. Should such an event of taxability occur, the Bonds are not subject to early redemption and will remain outstanding to maturity or until redeemed under the redemption provisions of the Fiscal Agent Agreement.

Limitations on Remedies

Remedies available to the owners of the Bonds may be limited by a variety of factors and may be inadequate to assure the timely payment of principal of and interest on the Bonds or to preserve the tax-exempt status of the Bonds.

Bond Counsel has limited its opinion as to the enforceability of the Bonds and of the Fiscal Agent Agreement to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws affecting generally the enforcement of creditors' rights, by equitable principles and by the exercise of judicial discretion. The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation or modification of the rights of the owners of the Bonds.

Limited Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Although the District has committed to provide certain financial and operating information on an annual basis and notices of certain events, there can be no assurance that such information will be available to Bondowners on a timely basis. See "CONTINUING DISCLOSURE." The failure to provide the required annual financial information does not give rise to monetary damages but merely an action for specific performance. Occasionally, because of general market conditions, lack of current information, or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price.

Proposition 218

An initiative measure commonly referred to as the "Right to Vote on Taxes Act" (the "Initiative") was approved by the voters of the State at the November 5, 1996 general election. The Initiative added Article XIII C and Article XIII D to the California Constitution. According to the "Title and Summary" of the Initiative prepared by the California Attorney General, the Initiative limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." The provisions of the Initiative have not yet been interpreted by the courts, although several lawsuits have been filed requesting the courts to interpret various

aspects of the Initiative. The Initiative could potentially impact the Special Taxes available to the District to pay the principal of and interest on the Bonds as described below.

Among other things, Section 3 of Article XIII states that ". . . the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge." The Act provides for a procedure which includes notice, hearing, protest and voting requirements to alter the rates and method of apportionment of an existing special tax. However, the Act prohibits a legislative body from adopting any resolution to reduce the rate of any special tax or terminate the levy of any special tax pledged to repay any debt incurred pursuant to the Act unless such legislative body determines that the reduction or termination of the special tax would not interfere with the timely retirement of that debt. On July 1, 1997, a bill was signed into law by the Governor of the State enacting Government Code Section 5854, which states that:

> "Section 3 of Article XIII C of the California Constitution, as adopted at the November 5, 1996, general election, shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after that date, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights protected by Section 10 of Article I of the United States Constitution."

Accordingly, although the matter is not free from doubt, it is likely that the Initiative has not conferred on the voters the power to repeal or reduce the Special Taxes if such reduction would interfere with the timely retirement of the Bonds.

It may be possible, however, for voters or the Board of Directors acting as the legislative body of the District to reduce the Special Taxes in a manner which does not interfere with the timely repayment of the Bonds, but which does reduce the maximum amount of Special Taxes that may be levied in any year below the existing levels. Furthermore, no assurance can be given with respect to the future levy of the Special Taxes in amounts greater than the amount necessary for the timely retirement of the Bonds. Therefore, no assurance can be given with respect to the levy of Special Taxes for Administrative Expenses. Nevertheless, to the maximum extent that the law permits it to do so, the Services District has covenanted that it will not initiate proceedings under the Act to reduce the maximum Special Tax rates. In connection with the foregoing covenant, the Board of Directors has made a legislative finding and determination that any elimination or reduction of Special Taxes below the foregoing level would interfere with the timely retirement of the Bonds. The Services District also has covenanted that, in the event an initiative is adopted which purports to alter the Rates and Method, it will commence and pursue legal action in order to preserve its ability to comply with the foregoing covenant. However, no assurance can be given as to the enforceability of the foregoing covenants.

With respect to the approval of the Special Taxes, on August 1, 2014, the California Court of Appeal, Fourth Appellate District, Division One, issued its opinion in *City of San Diego v. Melvin Shapiro, et al*. (D063997) (the "San Diego Decision"). The case involved a Convention Center Facilities District (the "CCFD") established by the City of San Diego (the "City"). The CCFD is a financing district much like a community facilities district established under the provisions of the Act. The CCFD is comprised of all of the real property in the entire City. However, the special tax to be levied within the CCFD was to be levied only on hotel properties located within the CCFD.

The election authorizing the special tax was limited to owners of hotel properties and lessees of real property owned by a governmental entity on which a hotel is located. Thus, the election was not a registered voter election. Such approach to determining who would constitute the qualified electors of the CCFD was modeled after 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 district whose property would be subject to the special tax. The Court held that the CCFD special tax election was invalid under the California Constitution because Article XIIIA, Section 4 thereof and Article XIIIC, Section 2 thereof require that the electors in such an election be the registered voters within the District.

The facts of the San Diego Decision show that there were thousands of registered voters within the CCFD (viz., all of the registered voters in the City). The election held in the District had no registered voters within the District at the time of the election to authorize the Special Tax. In the San Diego Decision, the Court expressly stated that it was not addressing the validity of landowner voting to impose special taxes pursuant to the Act in situations where there are fewer than 12 registered voters. Thus, by its terms, the Court's holding does not apply to the Special Tax election in the District. Moreover, Section 53341 of the Act provides that any "action or proceeding to attack, review, set aside, void or annul the levy of a special tax…shall be commenced within 30 days after the special tax is approved by the voters." Similarly, Section 53359 of the Act provides that any action to determine the validity of bonds issued pursuant to the Act be brought within 30 days of the voters approving the issuance of such bonds. Voters within the District approved the Special Tax and the issuance of bonds on November 13, 2023. Based on Sections 53341 and 53359 of the Act and analysis of existing laws, regulations, rulings and court decisions, Bond Counsel is of the opinion that the Special Tax has been authorized in accordance with applicable law and is being levied in accordance with the Rates and Method and a challenge may not be brought.

The interpretation and application of the Initiative will continue to be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainty the outcome of such determination or the timeliness of any remedy afforded by the courts. See "SPECIAL RISK FACTORS — Limitations on Remedies."

Ballot Initiatives

Article XIII A, XIII B, XIII C and XIII D were adopted pursuant to measures qualified for the ballot pursuant to California's constitutional initiative process and the State Legislature has in the past enacted legislation which has altered the spending limitations or established minimum funding provisions for particular activities. On March 6, 1995 in the case of Rossi v. Brown, the State Supreme Court held that an initiative can repeal a tax ordinance and prohibit the imposition of further such taxes and that the exemption from the referendum requirements does not apply to initiatives. From time to time, other initiative measures could be adopted by California voters. The adoption of any such initiative might place limitations on the ability of the State, the Services District, or local districts to increase revenues or to increase appropriations.

Cybersecurity

The Services District, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the Services District is subject to multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to the Services District's digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage.

In 2022, the Services District suffered a phishing attack performed by an impersonated vendor's account, targeting its Parks and Recreation Department which resulted in a $120,000 loss to the Services District. The Services District had in place controls to prevent such an incident, but not all accounting staff correctly followed them. This attack has had no material impact on the financial condition or operations of the Services District. The Services District filed police and FBI reports as well as a cybersecurity insurance claim following the incident. The Services District performed a complete review of the attack, retrained staff and added an additional layer of oversight requiring supervisor signoff.

No assurances can be given that the Services District's efforts to manage cyber threats and attacks will be successful or that any such attack will not materially impact the operations or finances of the Services District.

Impact of Economic Conditions on the Development in the District

Certain events and factors which negatively affect the regional, State and national economies could have an adverse effect on the pace at which the current or any future developers in the District can complete the remaining infrastructure and future homes, and demand by, and the ability of individuals to purchase homes within the District. Such events and factors could include rising inflation and interest rates, persistent supply chain issues and global market instability caused by geopolitical events. Any adverse impact of the foregoing and other economic factors on the projects in the District and the real estate market in general cannot be predicted.

Increasing Mortgage Interest Rates

Since approximately November 2021, interest rates for mortgage loans have increased significantly. Increases in mortgage interest rates could have a negative impact on the estimated absorption rates of the planned for-sale residential units in the District herein. With respect to entry-level households, increased mortgage interest rates may adversely impact the affordability of homes and may increase mortgage payment levels for owning a lower-priced home relative to renting a residence, thereby making purchasing less attractive. With respect to move-up households, higher mortgage interest rates may impact the desire of current homeowners to move from their present home due to the fact that their present home likely has a relatively low mortgage interest rate. In addition, in such instances, a new home would likely have a higher interest rate on a new mortgage loan as well as a higher purchase price and property taxes. Such considerations may decrease the desire for move-up households to purchase a new home. The foregoing factors could reduce demand for and/or the ability to achieve the sales prices of the planned for-sale homes within the District as described herein.

CONTINUING DISCLOSURE

The District

Pursuant to a Continuing Disclosure Agreement (the "District Continuing Disclosure Agreement") with Digital Assurance Certification, L.L.C., as disclosure dissemination agent, the Services District (on behalf of the District) has agreed to provide, or cause to be provided, to the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, which can be found at *www.emma.msrb.org*, on an annual basis certain financial information and operating data concerning the District. The Services District has further agreed to provide notice to EMMA of certain listed events. These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12 adopted by the SEC. The inclusion of this information does not mean that the Bonds are secured by any resources or property of the Services District. See "SOURCES OF PAYMENT FOR THE BONDS" and "SPECIAL RISK FACTORS — Limited Obligations."

On May 2, 2022, Services District failed to file Notice of Incurrence of a Financial Obligation in a timely manner in respect to Jurupa Community Services District Certificates of Participation (2010 Sewer Facilities Financing), Series B (Federally Taxable – Build America Certificates – Direct Payment) and Jurupa Community Services District Water Revenue Refunding Bonds, Series 2020. The Services District subsequently filed Notice of Failure to File Financial Obligation and Notice of Material Event on May 14, 2024 to comply with its Rule 15c2-12 obligations. Aside from such event, the Services District has complied in all material respects with all previous undertakings with regard to Rule 15c2-12 to provide annual reports or notices of listed events in the last five years.

The full text of the form of District Continuing Disclosure Agreement is set forth in APPENDIX E.

The Developer

General. Although the Underwriter believes the Developer is not an obligated person under Rule 15c2-12, the Developer has agreed to provide to EMMA, on a semi-annual basis, certain information concerning the

Developer and the property it owns within the District. The Developer will further provide notice to EMMA of certain listed events. The Developer's obligation to provide semi-annual reports and notices of certain listed events will terminate upon the earlier to occur of certain events, including at such time as the Developer has conveyed 123 or more of the residential lots in the District subject to the Special Tax levy to individual homeowners. A default under the Developer Continuing Disclosure Certificate will not, in itself, constitute an Event of Default under the Fiscal Agent Agreement, and the sole remedy under the Developer Continuing Disclosure Certificate in the event of any failure of the Developer or the dissemination agent, as applicable, to comply with the Developer Continuing Disclosure Certificate will be an action to compel performance. See APPENDIX F — "FORM OF DEVELOPER CONTINUING DISCLOSURE CERTIFICATE" for a description of the specific nature of the semi-annual reports to be filed by the Developer and notices of listed events to be provided by the Developer.

The District has not considered, or reached any conclusion as to, whether or not the Developer is an obligated person under Rule 15c2-12 and takes no responsibility for any such conclusion. Additionally, the District has not participated in the preparation, negotiation or implementation of the Developer Continuing Disclosure Certificate or in discussions regarding the form or content thereof. The District takes no responsibility for such form or content or for the adequacy of the Developer Continuing Disclosure Certificate for its intended purpose.

Neither the District nor the Fiscal Agent is a party to the Developer Continuing Disclosure Certificate, and neither of the District or the Fiscal Agent has any obligation or responsibility to monitor, nor any right or obligation to enforce, compliance by the Developer with its undertaking pursuant to the Developer Continuing Disclosure Certificate, and neither of the District or the Fiscal Agent will be so monitoring or enforcing such compliance.

Developer Continuing Disclosure Compliance. To the actual knowledge of the Developer, the Developer has not failed to comply in any material respect with its previous undertakings by it to provide periodic continuing disclosure reports or notices of listed events with respect to community facilities district or assessment district bond issues in southern California within the past five years.

LEGAL MATTERS

Tax Exemption

In the opinion of Best Best & Krieger LLP, Riverside, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds is excluded from gross income for federal income tax purposes. In the further opinion of Bond Counsel, interest on the Bonds is exempt from State of California personal income tax. Interest on the Bonds is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on certain corporations.

Bond Counsel's opinion as to the exclusion from gross income for federal income tax purposes of interest on the Bonds is based upon certain representations of fact and certifications made by the Services District, the Underwriter and others and is subject to the condition that the Services District complies with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations adopted pursuant to the Code (the "Treasury Regulations") that must be satisfied subsequent to the issuance of the Bonds to assure that interest on the Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code and the Treasury Regulations might cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Services District has covenanted to comply with all such requirements.

Should the interest on the Bonds become includable in gross income for federal income tax purposes, the Bonds are not subject to early redemption as a result of such occurrence and will remain outstanding until maturity or until otherwise redeemed in accordance with the Fiscal Agent Agreement.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the 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 Bond Owners from realizing the full current benefit of the tax status of such interest. Legislative proposals are announced from time to time which generally would limit the exclusion from gross income of interest on obligations like the Bonds to some extent for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Bonds. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Bond Counsel's opinion may be affected by action taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds. Bond Counsel has not undertaken to determine, or to inform any person, whether any such action or events are taken or do occur, or whether such actions or events may adversely affect the value or tax treatment of a Bond, and Bond Counsel expresses no opinion with respect thereto.

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

Although Bond Counsel has rendered an opinion that interest on the Bonds is excluded from gross income for federal income tax purposes provided the Services District continues to comply with certain requirements of the Code, the accrual or receipt of interest on the Bonds may otherwise affect the tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient's particular tax status and other items of income or deductions. Bond Counsel expresses no opinion regarding any such consequences. Accordingly, all potential purchasers should consult their tax advisors before purchasing any of the Bonds.

A copy of the proposed form of opinion of Bond Counsel is attached hereto as APPENDIX G.

Legal Opinion

The legal opinion of Best Best & Krieger LLP, Riverside, California, approving the validity of the Bonds in substantially the form set forth as APPENDIX G, will be made available to purchasers at the time of original delivery. A copy of the legal opinion for the Bonds will be provided with each definitive bond. Certain legal matters will be passed upon for the Services District and the District by Best Best & Krieger LLP, Riverside, California, as counsel to the Services District, and for the Underwriter by Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, as counsel to the Underwriter.

Litigation

No litigation is pending or threatened concerning the validity of the Bonds, the pledge of Special Taxes to repay the Bonds, the powers or authority of the Services District with respect to the Bonds, or seeking to restrain or enjoin development of the land within the District and a certificate of the Services District to that effect will be furnished to the Underwriter at the time of the original delivery of the Bonds.

No Rating

The Services District has not made and does not contemplate making application to any rating agency for the assignment of a rating of the Bonds.

Underwriting

The Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "Underwriter"). The Underwriter has agreed to purchase the Bonds at a price of $_____ (being $_____ aggregate principal amount thereof, less Underwriter's discount of $_____ and [plus/less] [net] original issue [premium/discount] of $_____). The purchase agreement relating to the Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased. The obligation to make such purchase is subject to certain terms and conditions set forth in such purchase agreement, the approval of certain legal matters by counsel and certain other conditions.

The Underwriter may offer and sell the Bonds to certain dealers and others at prices lower or yields greater than the offering prices or yields stated on the inside cover page of this Official Statement. The offering prices or yields may be changed from time to time by the Underwriter.

Stifel and its affiliates comprise a full-service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Stifel and its affiliates may have provided, and may in the future provide, a variety of these services to Jurupa Community Services District and to persons and entities with relationships with the Jurupa Community Services District, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, Stifel and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of Jurupa Community Services District (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with Jurupa Community Services District.

Stifel and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of Jurupa Community Services District.

Financial Interests

The fees being paid to the Municipal Advisor, the Underwriter and Underwriter's Counsel are contingent upon the issuance and delivery of the Bonds. From time to time, Bond Counsel represents the Underwriter on matters unrelated to the Bonds.

Pending Legislation

The Services District is not aware of any significant pending legislation which would have material adverse consequences on the Bonds or the ability of the Services District to pay the principal of and interest on the Bonds when due.

Additional Information

The purpose of this Official Statement is to supply information to prospective buyers of the Bonds. Quotations and summaries and explanations of the Bonds and documents contained in this Official Statement do not purport to be complete, and reference is made to such documents for full and complete statements and their provisions.

The execution and delivery of this Official Statement by the Finance and Administrative Services Director of the Services District has been duly authorized by the Board of Directors acting in its capacity as the legislative body of the District.

JURUPA COMMUNITY SERVICES DISTRICT
ON BEHALF OF COMMUNITY FACILITIES
DISTRICT NO. 58 (PARADISE KNOLLS) OF
JURUPA COMMUNITY SERVICES DISTRICT

By: _____
Finance and Administrative Services Director

APPENDIX A

RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX

RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 58 (PARADISE KNOLLS) OF JURUPA COMMUNITY SERVICES DISTRICT

A Special Tax shall be applicable to each Parcel of Taxable Property located within the boundaries of Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District ("CFD No. 58"). The amount of Special Tax to be levied on a Parcel of Taxable Property in any Fiscal Year shall be determined by the Board of Directors of Jurupa Community Services District (hereinafter the "District") acting in its capacity as the legislative body of CFD No. 58 (hereinafter the "Board of Directors"), as provided in Sections B, C and D. All of the Taxable Property in CFD No. 58 shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means all ordinary and necessary costs and expenses of the District in administering CFD No. 58, as allowed by the Act, which shall include, without limitation, all costs and expenses arising out of or resulting from the annual levy and collection of the Special Tax and payment of debt service on the outstanding bonds of CFD No. 58, any litigation involving CFD No. 58, continuing disclosure undertakings of the District as imposed by applicable laws, regulations, and/or contractual obligations, communication with bondholders and normal administrative expenses (including any District overhead and salaries).

"Administrator" means the General Manager of the District, or his/her designee.

"Alternative Special Tax Rate" means with respect to Parcels of Developed Property in Zone A classified as Residential Property the amount of $3,038 per Parcel, or Parcels of Developed Property in Zone B in the amount of $3,631 per Parcel, or an amount determined pursuant to Section I, if applicable.

"Appraisal" a report prepared by a MAI Certified Appraiser setting forth at least the minimum market value of Residential Units within each Land Use Classification of Residential Property.

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

"Assessor's Parcel Number" means that identification number assigned to a parcel by the County Assessor of the County.

"Benefit Unit(s)" means (a) prior to the construction of a residential dwelling unit on a Parcel, a residential dwelling unit shown on a subdivision map, parcel map, condominium plan, lot line adjustment or any other similar map which subdivides (or creates) such Parcels, which has been approved by the City or the

County or a single family residential lot created by the recording of a final subdivision map, parcel map, condominium plan, lot line adjustment or any other similar map which subdivides (or creates) such Parcels in the official records of the City or the County, or (b) after a residential dwelling unit has been constructed on a Parcel, each separate residential dwelling unit located on the Parcel.

"Board of Directors" means the Board of Directors of the District.

"Boundary Map" means a recorded map of the CFD which indicates by a boundary line the extent of the territory identified to be subject to the levy of Special Taxes.

"CFD No. 58" means Community Facilities District No. 58 (Paradise Knolls) of the District.

"Church Property" means all property which, as of March 1 preceding the Fiscal Year for which the Special Tax is being levied, has been developed or has been approved by the County or the City for development for use as a church sanctuary, synagogue or other such place of worship, which may or may not include associated buildings which are to be used for religious educational purposes, and which is exempt from taxation pursuant to Section 214 of the Revenue and Taxation Code of the State of California.

"Condominium Plan" means a condominium plan as set forth in the California Civil Code, Section 1352.

"Condominium Unit" means a unit meeting the statutory definition of a condominium contained in the California Civil Code, Section 1351, and for which a condominium plan has been recorded pursuant to California Civil Code, Section 1352.

"City" means the City of Jurupa Valley, California.

"County" means the County of Riverside, California.

"Debt Service and Facilities Special Tax Requirement" means the amount required in any Fiscal Year after taking into consideration available funds pursuant to the bond indenture: (1) to pay principal of and interest on all outstanding bonds of CFD No. 58 (2) to pay Administrative Expenses attributable to such bonds and the levy and collection of the Special Taxes, (3) to pay costs of credit enhancement for such bonds and any amount required to be rebated to the United States with respect to such bonds, (4) to replenish the reserve fund for such bonds, and (5) to provide any amounts which the Board of Directors determines are necessary to pay the costs of the provision, construction and acquisition of the Facilities and/or to accumulate funds therefor.

"Developed Property" means, for each Fiscal Year, for purposes of the levy of Special Taxes to satisfy the Debt Service and Facilities Special Tax Requirement, all Parcels of Residential Property and Non-Residential Property for which, as of March 1 preceding the Fiscal Year for which the Special Tax is being levied, a building permit has been issued that allows residential dwelling units or non-residential buildings to be constructed.

"District" means Jurupa Community Services District.

"Exempt Property" means property that is exempt from the levy of the Special Tax pursuant to the Act or Section E below.

"Facilities" means: (a) water system facilities, including capacity in existing facilities, and sewer system facilities, including capacity in existing facilities and sewage treatment and disposal capacity and (b) any other improvements or facilities designated by the District, with an estimated useful life of five (5) years or longer, which are eligible for financing under the Act.

"Fiscal Year" means the period from and including July 1 of any year to and including the following June 30.

"Land Use Classification" means any of the classes listed in Table 1 under Section C below.

"Land Use Regulations" means the General Plan, Community Plan, Zoning Ordinance, any Specific Plan, and any other applicable land use regulations of the County or the City, or any successor agency.

"MAI Certified Appraiser" or **"Appraiser"** means a certified appraiser and member of the Appraisal Institute who has met strict testing, standards and experience requirements.

"Maximum Special Tax for Debt Service and Facilities" means the maximum amount of Special Tax, determined pursuant to Section C that can be levied by the Board of Directors in any Fiscal Year on a Parcel of Taxable Property to satisfy the Debt Service and Facilities Special Tax Requirement.

"Minimum Sale Price" means the minimum price at which Residential Units of a given Land Use Classification have sold or are expected to be sold in a normal marketing environment and shall not include prices for such Residential Units that are sold at a discount to expected sales prices for the purpose of stimulating the initial sales activity with respect to such Land Use Classification.

"Net Acre or Acreage" means the land area of a Parcel as shown on an Assessor's Parcel Map, or if the land area of a Parcel is not shown on such a map, the land area shown on or calculated based on the applicable recorded final map, recorded parcel map or other recorded County parcel map.

"Non-Residential Property" means for purposes of the levy of Special Taxes to satisfy the Debt Service and Facilities Special Tax Requirement, all Parcels of Developed Property for which, as of March 1 proceeding the Fiscal Year for which the Special Tax is being levied, a building permit has been issued for the purpose of constructing a non-residential building or upon which such a building has been constructed.

"Parcel" means a lot or parcel which, or any portion of which, is located within the boundaries of CFD No. 58 and which is shown on the then current applicable Assessor's Parcel Map(s) with an assigned Assessor's Parcel Number.

"Park and Open Space Property" means all property that, as of March 1 of the Fiscal Year preceding the Fiscal Year for which the Special Tax is being levied, has been developed or has been approved by the County or the City for development for active park or open space uses, conveyed to and controlled by a public agency, as specified in the Land Use Regulations.

"Price Point Consultant" means any consultant or firm of such consultants selected by CFD No. 58 that (a) has substantial experience in performing price point studies for residential units within community facilities districts established under the Act or otherwise estimating or confirming pricing for residential units in such community facilities districts, (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential units in such community facilities districts, (c) is in fact

independent and not under the control of CFD No. 58 or the District, (d) does not have any substantial interest, direct or indirect, with or in (i) CFD No. 58, (ii) the District, (iii) any owner of real property in CFD No. 58, or (iv) any real property in CFD No. 58, and (e) is not connected with CFD No. 58 or the District as an officer or employee thereof, but who may be regularly retained to make reports to CFD No. 58 or the District.

"Price Point Study" means a price point study or a letter updating a previous price point study prepared by the Price Point Consultant pursuant to Section C herein.

"Property Owners' Association Property" means all property that, as of March 1 preceding the Fiscal Year for which the Special Tax is being levied, has been conveyed, dedicated or irrevocably offered for dedication to a property owners' association for recreational or open-space use, as specified in the Land Use Regulations.

"Public School Property" means all property that, as of March 1 preceding the Fiscal Year for which the Special Tax is being levied, has been conveyed, dedicated, or irrevocably offered for dedication or leased for a term of ten (10) years or more to a public agency for the purpose of providing public school facilities, as specified in the Land Use Regulations, and that is exempt from general ad valorem taxation.

"Residential Property" means for each Fiscal Year, for the purpose of the levy of Special Taxes to satisfy the Debt Service and Facilities Special Tax Requirement, all Parcels of Developed Property for which, as of March 1 preceding the Fiscal Year for which the Special Tax is being levied, a building permit has been issued for purposes of constructing one or more residential dwelling units or upon which a residential dwelling unit has been constructed.

"Residential Floor Area" means all of the square footage of living area of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio or similar area, on a Parcel. The determination of Residential Floor Area shall be made by reference to the building permit(s) for the Parcel.

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

"Special Tax(es)" means the Special Tax to be levied, in each Fiscal Year, on all Parcels of Taxable Property in CFD No. 58, pursuant to Sections B, C and D, to fund the Debt Service and Facilities Special Tax Requirement.

"Table 1" means Table 1 contained in Section C.

"Taxable Property" means all Parcels that are not exempt from the levy of Special Taxes pursuant to the Act or Section E.

"Total Tax Burden" means for any Residential Unit, the annual Special Tax, together with ad valorem property taxes, special assessments, special taxes for any overlapping community facilities district, and any other taxes, fees, and charges which are levied and imposed on such Residential Unit and the real property on which it is located and collected by the County on ad valorem tax bills and which are secured by such Residential Unit and the real property on which it is located, assuming such Residential Unit had been completed, sold, and subject to such levies and impositions, excluding PACE Charges (or any other charge entered into voluntarily by the property owner) and service charges such as those related to sewer and trash.

"Undeveloped Property" means all Parcels of Taxable Property that are not categorized as Developed Property.

"Zone(s)" means Zone A or Zone B as geographically identified on the Boundary Map of the CFD.

"Zone A" means all property located within the specific area identified as Zone A on the Boundary Map of the CFD.

"Zone B" means all property located within the specific area identified as Zone B on the Boundary Map of the CFD.

B. ASSIGNMENT TO DEVELOPMENT CATEGORIES AND RESIDENTIAL SIZE CLASSIFICATIONS

For each Fiscal Year, commencing with the Fiscal Year that begins in the calendar year in which the Board of Directors determines that the levy of the Special Taxes shall commence, each Parcel of Taxable Property shall be categorized as either Developed Property or Undeveloped Property. Parcels of Developed Property shall further be categorized as Residential Property or Non-Residential Property.

For the purpose of the levy of Special Taxes to satisfy the Debt Service and Facilities Special Tax Requirement, all Parcels of Residential Property shall be assigned to the applicable land use classification set forth in Tables 1 and 2, based on the Residential Floor Area of the residential structure located on or to be constructed on the Parcel.

If Condominium Units in a Condominium Plan that was recorded as of the March 1 preceding the Fiscal Year for which the Special Tax is being levied have not yet been identified as a Parcel on an Assessor's Parcel Map, each Condominium Unit shall be treated as a Parcel and classified independently of the other. Furthermore, if Condominium Plans for less than all of the Condominium Units to be located on such Parcel have not been recorded as of the March 1 preceding the Fiscal Year for which the Special Tax is being levied, as determined from the Condominium Plans which have been recorded by such date, then a portion of such Parcel shall be classified as Undeveloped Property. The portion to be classified as Undeveloped Property shall be computed by multiplying the Acreage for such Parcel by a fraction, the numerator of which is equal to the number of Condominium Units for which a Condominium Plan has not been recorded as of the March 1 preceding the Fiscal Year for which the Special Tax is being levied and the denominator of which is equal to the total number of Condominium Units to be located on such Parcel.

Determinations of the appropriate development category for each Parcel and the residential size classification for each Parcel of Residential Property shall be made by the Administrator, and shall be based upon a review of the Land Use Regulations and the building permit(s) applicable to each Parcel. All Parcels of Taxable Property shall be subject to the levy of the Special Tax based on the Maximum Special Tax for Debt Service and Facilities, determined as provided in Section C, and in accordance with the method of apportionment set forth in Section D.

C. MAXIMUM SPECIAL TAX

1. The Maximum Special Tax for Debt Service and Facilities for a Parcel of Developed Property categorized as Residential Property shall be the greater of: (i) the applicable amount set forth in Tables 1 and 2 or (ii) the Alternative Special Tax Rate. The Maximum Special Tax for Debt Service and Facilities for a Parcel of Developed Property categorized as Non-Residential Property shall be the amount determined by multiplying the Net Acreage of the Parcel by the amount set forth in Tables 1 and 2. The Maximum

Special Tax for Debt Service and Facilities for a Parcel of Undeveloped Property shall be the amount determined by multiplying the Net Acreage of the Parcel by $129,404 per Net Acre in Zone A and by $90,124 per Net Acre in Zone B.

Table 1
Special Tax Amounts for Debt Service and Facilities
for Developed Property in Zone A
CFD No. 58

Taxable Property	Land Use Classification (Residential Floor Area)	Special Tax for Debt Service and Facilities
Residential Property	Less than 1,200 SF	$2,800 per Parcel
Residential Property	1,200 SF to 1,400 SF	$2,950 per Parcel
Residential Property	1,401 SF to 1,600 SF	$3,100 per Parcel
Residential Property	Over 1,600 SF	$3,250 per Parcel
Non-Residential Property	N/A	$129,404 per Net Acre

Table 2
Special Tax Amounts for Debt Service and Facilities
for Developed Property in Zone B
CFD No. 58

Taxable Property	Land Use Classification (Residential Floor Area)	Special Tax for Debt Service and Facilities
Residential Property	Less than 1,650 SF	$3,425 per Parcel
Residential Property	1,650 SF to 1,850 SF	$3,625 per Parcel
Residential Property	Over 1,850 SF	$3,825 per Parcel
Non-Residential Property	N/A	$90,124 per Net Acre

The abbreviation "SF" in Tables 1 and 2 signifies square footage and the SF numbers in Tables 1 and 2 are Residential Floor Areas of residential structures.

In accordance with Section 53321(d) of the Government Code of the State of California, the Maximum Special Tax for Debt Service and Facilities for each Parcel "used for private residential purposes," as defined therein, shall be calculated and thereby established by the date on which the Parcel is first subject to the Special Tax. Under no circumstances will the Special Tax levied in any Fiscal Year on any parcel used for private residential purposes be increased as a consequence of delinquency or default in the payment of Special Taxes by the owner or owners of any other Parcel or Parcels by more than ten percent (10%) above the amount of the Special Tax that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

Prior to the issuance of Bonds, CFD No. 58 shall do one of the following 1) select and engage a Price Point Consultant, where the Price Point Consultant shall prepare a Price Point Study setting forth the Minimum Sale Price of Residential Units within each Land Use Classification of Residential Property or 2) select and

engage a MAI Certified Appraiser, where the Appraiser shall prepare an Appraisal setting forth at least the minimum market value of Residential Units within each Land Use Classification of Residential Property. If, based upon such Price Point Study or Appraisal, the Administrator calculates that the Total Tax Burden applicable to Residential Units within one or more Land Use Classifications of Residential Property to be constructed within CFD No. 58 exceeds 2.00% of the Minimum Sale Price of such Residential Units, the Special Tax shall be reduced to the extent necessary to cause the Total Tax Burden applicable to Residential Units within such Land Use Classification(es) not to exceed 2.00% of the Minimum Sale Price of such Residential Units. Each Special Tax reduction for a Land Use Classification shall be calculated by the Administrator separately, and it shall not be required that such reduction be proportionate among Land Use Classifications.

If the Special Tax for any Land Use Classification is reduced pursuant to the preceding paragraph, the Administrator shall calculate a reduced Maximum Special Tax for Non-Residential and Undeveloped Property, as well as a reduced Alternative Special Tax for Developed Property. The revised Maximum Special Tax shall be equal to the Maximum Special Tax as set forth in Tables 1 and 2 above, reduced by a percentage equal to the weighted average percentage reduction in the Special Tax for all Land Use Classifications of Residential Property. The weighted average percentage will be calculated by taking the sum of the products of the number of Residential Units constructed or expected to be constructed in each Land Use Classification multiplied by the percentage change in the Special Tax for each Land Use Classification (or 0 for Land Use Classifications that are not changing). This amount is then divided by the total number of Residential Units constructed or expected to be constructed and converted to a percentage. The reduced Maximum Special Tax shall be used to compute the reduced Alternative Special Tax.

The Special Tax reductions, if required pursuant to this section, shall be reflected in an amended notice of Special Tax lien, which CFD No. 58 shall cause to be recorded by executing a certificate in substantially the form attached herein as Exhibit B.

D. METHOD OF APPORTIONMENT AND LEVY OF THE SPECIAL TAX

1. Special Tax

Commencing with the Fiscal Year in which the Board of Directors determines that the levy of Special Taxes shall commence, and for each subsequent Fiscal Year, the Board of Directors shall determine the total amount of Special Taxes to be levied and collected in that Fiscal Year in order to satisfy the Debt Service and Facilities Special Tax Requirement for such Fiscal Year. The Board of Directors shall levy the Special Tax on all Parcels of Taxable Property in the following priority until it has levied the amount necessary to satisfy the Debt Service and Facilities Special Tax Requirement for the Fiscal Year as follows:

(a) Debt Service and Facilities Special Tax Requirement.

(1) First: The Special Tax shall be levied on all Parcels of Developed Property in equal percentages up to 100% of the applicable Special Tax amount set forth in Tables 1 and 2; and

(2) Second: If additional funds are needed, the Special Tax shall be levied on all Parcels of Undeveloped Property in equal percentages up to 100% of the Maximum Special Tax for Debt Service and Facilities for Undeveloped Property; and

(3) Third: If additional funds are needed, the Special Tax shall be levied on all Parcels of Developed Property classified as Residential Property for which the Maximum Special Tax for Debt Service and Facilities is determined by application of the Alternative Special Tax Rate in equal percentages up to 100% of such Maximum Special Tax for Debt Service and Facilities.

No Special Tax shall be levied on Parcels of Undeveloped Property in CFD No. 58 to provide any amounts which the Board of Directors determines are necessary to pay the costs of the provision, construction and acquisition of the Facilities and/or to accumulate funds therefor, as described in clause (5) of the definition of Debt Service and Facilities Special Tax Requirement.

E. EXEMPTIONS

The Special Tax related to the Debt Service and Facilities Special Tax Requirement shall not be levied on up to 6.38 Net Acres of Parcels of Exempt Property in the chronological order in which such property becomes any of the following:

1. Property that lies within dedications for public streets or publicly owned surface drainage channels.
2. Property Owners' Association Property.
3. Public School Property.
4. Park and Open Space Property.
5. Church Property.

Any Parcels described in the preceding paragraph that exceed 6.38 Net Acres shall be classified as Taxable Property and be subject to the Special Tax as either Developed Property or Undeveloped Property as provided for in Sections B, C, and D, unless the obligation to pay the Special Tax for any such Parcel is prepaid pursuant to Section H.

F. MANNER OF COLLECTION

The Special Taxes shall be collected in the same manner and at the same time as ad valorem property taxes and shall be subject to the same penalties, and the same procedure, sale and lien priority in case of delinquency as is provided for ad valorem taxes; provided, however, that the District may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 58.

G. DURATION OF SPECIAL TAX LEVIES

Pursuant to Section 53321(d) of the Government Code of the State of California, the tax year after which no further Special Tax shall be levied or collected with respect to any Parcel to satisfy the Debt Service and Facilities Special Tax Requirement shall be Fiscal Year 2065-66.

H. PREPAYMENT

As used in this Section H, the terms in quotes have the meanings given to them below:

"CFD Facilities Amount" means the amount of $5,352,146 expressed in FY 2023-24 dollars, which shall increase on July 1, 2024 and on each July 1 thereafter, by the percentage increase in Construction Index since the preceding July 1, or such lesser amount (i) as shall be determined by the Administrator to be sufficient to provide for the construction and acquisition of all of the facilities, or (ii) as shall be determined by the Board of Directors at the time of the adoption of a covenant that CFD No. 58 will not issue any additional bonds.

"Construction Fund" means a fund or account established by the Indenture to hold funds which are to be used to pay costs associated with the construction and acquisition of public facilities for CFD No. 58.

"Construction Index" means the Engineering News-Record Building Cost Index for the City of Los Angeles. If this index ceases to be published, the Construction Index shall be another index which is determined by the Administrator to be reasonably comparable to such index.

"Exempt Property" means property that is exempt from the levy of the Special Tax pursuant to Section E.

"Future Facilities Costs" means the amount determined by subtracting from the CFD Facilities Amount (i) the amount available in the Construction Fund, (ii) the amount previously disbursed from the Construction Fund, to pay the costs of the Facilities, (iii) the amount of Special Taxes previously collected that have been used or are available to pay for the costs of the Facilities, and (iv) the estimated amount of income that will be earned from the investment of such available amount prior to the date upon which the prepayment is to be made.

"Indenture" means the bond indenture, fiscal agent agreement or resolution pursuant to which the bonds of CFD No. 58 are issued and which establishes a construction or improvement fund into which proceeds of the sale of the bonds are deposited to pay for the construction and acquisition of public facilities for CFD No. 58.

"Outstanding Bonds" means all bonds of CFD No. 58 that have been issued and which will remain outstanding after the first date following the current Fiscal Year on which interest on or interest on and principal of such bonds will be paid, excluding bonds to be redeemed on a later date with Prepayment Amounts (as defined below) for other Parcels for which the Special Tax Obligation for Debt Service and Facilities has been prepaid.

"Special Tax Obligation for Debt Service and Facilities" means the total amount of Special Taxes which could be levied on a Parcel based on the Maximum Special Tax for Debt Service and Facilities for the Parcel through the date of final maturity of the Outstanding Bonds.

1. Prepayment in Full

The Special Tax Obligation for Debt Service and Facilities may only be prepaid and permanently satisfied for a Parcel of Developed Property, a Parcel of Undeveloped Property for which a building permit has been issued, or a Parcel of Church Property, Park and Open Space Property, Property Owners' Association Property or Public School Property that is not Exempt Property. The Special Tax Obligation for Debt Service and Facilities for a Parcel may be fully prepaid and the obligation of the Parcel to pay the Special Tax

permanently satisfied as described herein; provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to the Parcel at the time of prepayment. An owner of a Parcel intending to prepay the Special Tax Obligation for Debt Service and Facilities for the Parcel shall provide the Administrator with written notice of the owner's intent to prepay, and within fifteen (15) days of receipt of such notice, the Administrator shall notify such owner of the amount of a non-refundable deposit to cover the cost to be incurred by the District and CFD No. 58 in determining the Prepayment Amount for the Parcel. Within thirty (30) days of receipt of such non-refundable deposit, the Administrator shall notify the owner of the Prepayment Amount for the Parcel. Prepayment must be made not later than sixty (60) days prior to any redemption date for any bonds which will be redeemed with the Prepayment Amount.

The Prepayment Amount shall be calculated as follows (Except as provided above, capitalized terms have the meanings given below.):

	Bond Redemption Amount
plus	Redemption Premium
plus	Prepaid Facilities Amount
plus	Defeasance Amount
plus	Administration Costs
less	Reserve Fund Credit
equals	Prepayment Amount

The Prepayment Amount shall be calculated, as of the proposed prepayment date, as follows:

Paragraph No.:

1. For a Parcel of Developed Property, determine the Maximum Special Tax for Debt Service and Facilities for the Parcel. For a Parcel of Undeveloped Property, determine the Maximum Special Tax for Debt Service and Facilities for the Parcel as though it was Developed Property, based on the building permit(s) issued for the Parcel. For a Parcel of Church Property, Park and Open Space Property, Property Owners' Association Property or Public School Property which is not Exempt Property, determine the Maximum Special Tax for Debt Service and Facilities for the Parcel.

2. Divide the Maximum Special Tax for Debt Service and Facilities for the Parcel, determined pursuant to paragraph 1, by the total estimated amount of the Maximum Special Taxes for Debt Service and Facilities that could be levied on all Parcels of Developed Property at Buildout, including the prepaying Parcel and excluding any Parcels which have previously prepaid the Special Tax Obligation for Debt Service and Facilities.

3. Multiply the aggregate principal amount of the Outstanding Bonds by the percentage derived pursuant to paragraph 2 to determine the principal amount of the Outstanding Bonds to be redeemed with the Prepayment Amount (the *"Bond Redemption Amount"*).

4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "*Redemption Premium"*).

5. Determine the Future Facilities Costs.

6. Multiply the Future Facilities Costs by the percentage derived pursuant to paragraph 2 to determine the amount of the Future Facilities Costs to be prepaid (the "*Prepaid Facilities Amount"*).

7. Determine the amount needed to pay interest on the Bond Redemption Amount from the first bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

8. Determine the unpaid amount of the Special Taxes levied on the Parcel in the current Fiscal Year.

9. Estimate the earnings on the investment of the Prepayment Amount, less the Prepaid Facilities Amount and the Administration Costs (as defined below), from the date of prepayment until the redemption date for the Outstanding Bonds which will be redeemed with the Prepayment Amount (the "*Net Prepayment Amount")*.

10. Add the amounts derived pursuant to paragraphs 7 and 8 and subtract the amount derived pursuant to paragraph 9 to derive the Defeasance Amount (the "*Defeasance Amount"*).

11. Determine the amount which will be needed and will not be paid from a non-refundable deposit by the owner of the prepaying Parcel for paying the costs of (i) determining the Prepayment Amount, (ii) investing the Net Prepayment Amount, (iii) redeeming the Outstanding Bonds, and (iv) recording any notices to evidence the prepayment and satisfaction of the Special Tax Obligation for Debt Service and Facilities for the Parcel (the "*Administration Costs"*).

12. Determine the amount of the reserve fund credit (the "*Reserve Fund Credit"*) which shall be the lesser of: (a) the amount, if any, by which the "Reserve Requirement" (as defined in the Indenture) will be reduced as a result of the redemption of Outstanding Bonds with the Prepayment Amount (the "Reduced Reserve Requirement") or (b) the amount (which shall not be less than zero) derived by subtracting the Reduced Reserve Requirement from the amount which will be on deposit in the Reserve Fund for the Outstanding Bonds on the prepayment date.

13. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Prepaid Facilities Amount, the Defeasance Amount and the Administration Costs less the Reserve Fund Credit.

14. Upon receipt of the Prepayment Amount, the funds representing the Bond Redemption Amount, the Redemption Premium, and the Defeasance Amount shall be deposited into the appropriate fund established under the Indenture for the redemption of Outstanding Bonds and shall be used, along with the amount representing the Reserve Fund Credit which shall be transferred from the Reserve Fund to the appropriate account under the Indenture, to redeem an aggregate principal amount of Outstanding Bonds which is equally divisible by $5,000 and, to the extent of any portion of the sum thereof which is not so utilized, to pay interest on and principal of Outstanding Bonds. The Prepaid Facilities Amount shall be deposited into the Construction Fund. The Administration Costs shall be retained by the District and used to pay or reimburse such costs.

Upon receipt of the Prepayment Amount, the Board of Directors shall cause the appropriate notice to be recorded in compliance with the Act to acknowledge that the Special Tax Obligation for Debt Service and

Facilities for the prepaying Parcel has been prepaid and satisfied and to cancel the Special Tax lien securing payment of Special Taxes for the Debt Service and Facilities Special Tax Requirement for such prepaying Parcel.

Notwithstanding the foregoing, no Prepayment shall be allowed for any Parcel in unless the total amount of the Maximum Special Taxes for Debt Service and Facilities that may be levied on Taxable Property (excluding Parcels of Property Owners' Association Property, Public School Property and Church Property that are Taxable Property), both before and after expected buildout of the property in CFD No. 58, as then approved by the County or the City, after the proposed Prepayment would be at least equal to the sum of (i) an amount equal to 110 percent of maximum annual debt service on all Outstanding Bonds, as determined by the Administrator, a financial advisor or a special tax consultant, at the option of the Administrator, plus (ii) Administrative Expenses in the amount of $40,000.

2. Partial Prepayment

An owner of not less than fifteen (15) Parcels of Developed Property classified as Residential Property in CFD No. 58 may partially prepay the Special Tax Obligation for Debt Service and Facilities for all such Parcels. The owner of a Parcel of Undeveloped Property (i) for which a subdivision map has been recorded, (ii) that will be classified as Residential Property and (iii) for which a building permit has been issued, may partially prepay the Special Tax Obligation for Debt Service and Facilities for not less than fifteen (15) of such Parcels. The amount of the Partial Prepayment shall be calculated pursuant to Section H.1 as modified by the following formula:

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

These terms have the following meaning:

PP = the Partial Prepayment
P_E = the Prepayment Amount calculated according to Section H.1
F = the percentage by which the owner of the Parcels is partially prepaying the Special Tax Obligation for Debt Service and Facilities.
A = the Administrative Costs calculated pursuant to Section H.1

The owner of such Parcels who desires to partially prepay the Special Tax Obligation for Debt Service and Facilities shall notify the Administrator of (i) the owner's intent to partially prepay the Special Tax Obligation for Debt Service and Facilities and, (ii) the percentage by which the Special Tax Obligation for Debt Service and Facilities for all such Parcels will be prepaid, and within fifteen (15) days of receipt of such notice, the Administrator shall notify such owner of the amount of a non-refundable deposit determined to cover the costs to be incurred by the District and CFD No. 58 in determining the amount of the Partial Prepayment for such Parcels. Within thirty (30) days of receipt of such non-refundable deposit, the Administrator shall notify the owner of the Partial Prepayment amount applicable to each of such Parcels. A Partial Prepayment must be paid not later than sixty (60) days prior to the redemption date for any Outstanding Bonds which will be redeemed with the Partial Prepayment.

Upon receipt of a Partial Prepayment of the Special Tax Obligation for Debt Service and Facilities for any such Parcels, the Administrator shall (i) allocate the amount of the Partial Prepayment pursuant to Paragraph 14 of Section H.1 and (ii) note on the records of CFD No. 58 that there has been a Partial Prepayment of the Special Tax Obligation for Debt Service and Facilities for such Parcels and that the

amount of Special Taxes which shall continue to be levied on such Parcels pursuant to Section D shall be reduced based on the percentage (1.00 - F) of the remaining Special Tax Obligation for Debt Service and Facilities for such Parcels.

Notwithstanding the foregoing, no Partial Prepayment shall be allowed for any Parcel in unless the total amount of the Maximum Special Taxes for Debt Service and Facilities that may be levied on Taxable Property (excluding Parcels of Property Owners' Association Property, Public School Property and Church Property that are Taxable Property), both before and after expected buildout of the property, as then approved by the County or the City, after the proposed Partial Prepayment would be at least equal to the sum of (i) an amount equal to 110 percent of maximum annual debt service on all Outstanding Bonds, as determined by the Administrator, a financial advisor or a special tax consultant, at the option of the Administrator, plus (ii) Administrative Expenses in the amount of $40,000.

I. CHANGES TO TENTATIVE TRACTS

The Alternative Special Tax Rate has been established based on the land use configurations shown on the tentative subdivision map for Tract No. 38257 for Zone A and Tract No. 38258 for Zone B. In the event any portion of either Tract is modified by the County or the City, the Alternative Special Tax Rate for all Parcels of Developed Property in the modified portion of such tract which are classified as Residential Property shall be determined by (i) multiplying the total square footage of such Parcel or Parcels by $2.97 per square foot in Zone A and $2.07 per square foot in Zone B, and (ii) by dividing the product thus obtained by the number of lots in the modified portion thereof. Should the result of the calculation from step (i) fall below $358,450 for Zone A and $127,075 for Zone B; $358,450 for Zone A and $127,075 for Zone B shall be the figure used as the numerator.

J. APPEALS

Any taxpayer may file a written appeal of the Special Tax levied against his/her Parcel(s) with the Administrator, provided that the appellant is current in his/her payments of Special Taxes. During pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The Administrator shall review the appeal, meet with the appellant if the Administrator deems necessary, and advise the appellant of its determination. If the Administrator agrees with the appellant, the Administrator shall grant a credit to eliminate or reduce future Special Taxes on the appellant's Parcel(s). No refunds of previously paid Special Taxes shall be made.

The Administrator shall interpret this Rate and Method of Apportionment and make determinations relative to the annual levy and administration of the Special Tax and any taxpayer who appeals, as herein specified.

Interpretations may be made by the Board by resolution for purposes of clarifying any vagueness or ambiguity as it relates to any tax class, tax rate, method of apportionment or definition applicable to this Rate and Method of Apportionment of Special Tax.

"EXHIBIT B"

CERTIFICATE OF MODIFICATION OF SPECIAL TAX

JURUPA COMMUNITY SERVICES DISTRICT AND CFD NO. 58 CERTIFICATE

1. Pursuant to Section C of the Rate and Method of Apportionment of Special Tax for Community Facilities District No. 58 (Paradice Knolls) of Jurupa Community Services District ("CFD No. 58"), the Special Tax for Residential Property and Non-Residential Property within CFD No. 58 has been modified.

The information in Table 1 relating to the Special Tax for Developed Property within CFD No. 58, as stated in Section C.1. of the Rate and Method of Apportionment, has been modified as follows:

Table 1
Special Tax Amounts for Debt Service and Facilities
for Developed Property in Zone A
CFD No. 58

Taxable Property	Land Use Classification (Residential Floor Area)	Special Tax for Debt Service and Facilities
Residential Property	Less than 1,200 SF	$_____ per Parcel
Residential Property	1,200 SF to 1,400 SF	$_____ per Parcel
Residential Property	1,401 SF to 1,600 SF	$_____ per Parcel
Residential Property	Over 1,600 SF	$_____ per Parcel
Non-Residential Property	N/A	$_____ per Net Acre

Table 2
Special Tax Amounts for Debt Service and Facilities
for Developed Property in Zone B
CFD No. 58

Taxable Property	Land Use Classification (Residential Floor Area)	Special Tax for Debt Service and Facilities
Residential Property	Less than 1,650 SF	$_____ per Parcel
Residential Property	1,650 SF to 1,850 SF	$_____ per Parcel
Residential Property	Over 1,850 SF	$_____ per Parcel
Non-Residential Property	N/A	$_____ per Net Acre

The information relating to the definition of Alternative Special Tax Rate within CFD No. 58, as stated in Section A of the Rate and Method of Apportionment, has been modified as follows:

"Alternative Special Tax Rate" means with respect to Parcels of Developed Property in Zone A classified as Residential Property the amount of $_____ per Parcel, or Parcels of Developed Property in Zone B in the amount of $_____ per Parcel, or an amount determined pursuant to Section I, if applicable.

The information relating to Changes to Tentative Tracts within CFD No. 58, as stated in Section I. of the Rate and Method of Apportionment, has been modified as follows:

The Alternative Special Tax Rate has been established based on the land use configurations shown on the subdivision map for Tract No. 38257 for Zone A and Tract No. 38258 for Zone B. In the event any portion of either Tract is modified by the County or the City, the Alternative Special Tax Rate for all Parcels of Developed Property in the modified portion of such tract which are classified as Residential Property shall be determined by (i) multiplying the total square footage of such Parcel or Parcels by $_____ per square foot in Zone A and $_____ per square foot in Zone B, and (ii) by dividing the product thus obtained by the number of lots in the modified portion thereof.

2. The Special Tax may only be modified prior to the first issuance of CFD No. 58 Bonds.
3. Upon execution of this certificate by CFD No. 58, CFD No. 58 shall cause an amended notice of Special Tax lien for CFD No. 58 to be recorded reflecting the modifications set forth herein.

CERTIFICATE OF MODIFICATION OF SPECIAL TAX

By execution hereof, the undersigned acknowledge, on behalf of the District and CFD No. 58, receipt of this certificate and modification of the Rate and Method of Apportionment of Special Tax as set forth in this certificate.

JURUPA COMMUNITY SERVICES DISTRICT COMMUNITY FACILITIES DISTRICT NO. 58 (PARADISE KNOLLS)

By:_____ Date:_____

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APPENDIX B

APPRAISAL REPORT

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APPRAISAL REPORT

JURUPA COMMUNITY SERVICES DISTRICT
COMMUNITY FACILITIES DISTRICT NO. 58 (Paradise Knolls)
(Sterling and Ivory at Paradise Knolls by Century Communities)

City of Jurupa Valley, California
(Appraisers' File No. 2026-1320)



Prepared For
Jurupa Community Services District
1201 Harrel Street
Jurupa Valley, CA 92752

Prepared By
Kitty Siino & Associates, Inc.
115 East Second Street, Suite 100
Tustin, California 92780

KITTY SIINO & ASSOCIATES, INC.
REAL ESTATE APPRAISERS & CONSULTANTS

October 8, 2026

Steven Popelar, Director of Finance and Administration
JURUPA COMMUNITY SERVICES DISTRICT
11201 Harrel Street
Jurupa Valley, CA 91752

Reference: Appraisal Report – Jurupa Community Services District
Community Facilities District No. 58 (Paradise Knolls)
Being developed as Ivory and Sterling by Century Communities
S/S Limonite Avenue at Beach Street, Jurupa Valley

Dear Mr. Popelar,

At the request and authorization of the Jurupa Community Services District, we have completed an Appraisal Report for Community Facilities District No. 58 ("JCSD CFD No. 58") which encompasses the two communities known as Ivory and Sterling at Paradise Knolls which are being built and marketed by Century Communities of California, LLC ("Century Communities") and consists of a total of 153 proposed single-family homes, both detached and attached. Ivory consists of 118 proposed attached units with home sizes ranging from 1,148 to 1,554 square feet while Sterling has been built and sold out as 35 single family detached units in a cluster format on condominium lots with home sizes ranging from 1,623 to 1,958 square feet. Of the total 153 proposed homes, 98 have closed to individual homeowners to date, with the remainder of the proposed homes either models, production homes, homes under construction or finished pads awaiting construction.

The valuation method used in this report is the Sales Comparison Approach along with a Discounted Cash Flow Analysis and a Mass Appraisal Technique as defined within this report. The fee simple estate of the subject property has been valued subject to the lien of the JCSD CFD No. 58 Special Tax Bonds. This report is written with the hypothetical condition that the subject property is enhanced by the improvements and/or fee credits to be funded by the JCSD CFD No. 58 Special Tax Bonds.

As a result of our investigation, the concluded Minimum Market Value (as defined within this report) for the subject property is:

JCSD CFD No. 58 (Sterling and Ivory by Century Communities)

Century Communities Ownership (36 pads and 19 homes)	$ 11,764,405
Individual Owned (98 homes)	$ 49,801,945
Aggregate Value of JCSD CFD No. 58	**$ 61,566,350**

115 East Second Street, Suite 100, Tustin, California 92780
(714) 544-9978 - Phone, (714) 544-9985 – Fax, E-Mail: kssiino@msn.com

The above values are stated subject to the Assumptions and Limiting Conditions of this report, the Appraiser's Certification and as of September 1, 2026.

Some supporting documentation concerning the data, reasoning and analyses may be retained in the appraiser's files. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. This Appraisal Report is intended to comply with both the Uniform Standards of Professional Appraisal Practice ("USPAP" January 2024) and with the Appraisal Standards of the California Debt and Investment Advisory Commission ("CDIAC"). The appraiser is not responsible for unauthorized use of this report.

This letter of transmittal is part of the attached report, which sets forth the data and analyses upon which our opinion of value is, in part, predicated.

Respectfully submitted,

KITTY SIINO & ASSOCIATES, INC.

K. Siino

Kitty S. Siino, MAI
California State Certified General
Real Estate Appraiser (AG004793)

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ADDENDA

CFD Boundary Map for JCSD CFD No. 58
Tract Map 38257 and 38258
Discounted Cash Flow Analysis
Residential Land Sales Map and Summary Chart
Improved Residential Sales Map and Summary Chart
Appraiser's Qualifications

ASSUMPTIONS AND LIMITING CONDITIONS

1. This report is an Appraisal Report that is intended to comply with the reporting requirements set forth under Standard Rule 2 of the Uniform Standards of Professional Appraisal Practice. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

2. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.

3. The property is appraised subject to the special tax lien of JCSD CFD No. 58.

4. Responsible ownership and competent property management are assumed unless otherwise stated in this report.

5. The information furnished by others is believed to be reliable, however, no warranty is given for its accuracy.

6. All engineering is assumed to be correct. Any plot plans and illustrative material used in this report are included only to assist the reader in visualizing the property and may not be to scale.

7. It is assumed that there are no hidden or unapparent conditions of the property, subsoil or structures that would render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

8. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in this report.

9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined and considered in this appraisal report.

10. It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.

11. Any sketch included in this report may show approximate dimensions and is included only to assist the reader in visualizing the properties. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee regarding accuracy is expressed or implied unless otherwise stated in this report. No survey has been conducted for the purpose of this report.

12. It is assumed that the utilization of the land and improvements are within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.

13. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert relating to asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials that may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.

14. Proposed improvements, if any, are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.

15. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings, if any, must not be used in conjunction with any other appraisal and are invalid if so used.

16. The Americans with Disabilities Act ("ADA") became effective on January 26, 1992. The appraiser has made no specific compliance survey and analysis of the property to determine whether they conform to the various detailed requirements of the ADA, nor is the appraiser a qualified expert regarding the requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the ADA. If so, this fact could have a negative effect upon the value of the property. Since the appraiser has no direct evidence relating to this issue, a possible noncompliance with requirements of the ADA in estimating the value has not been considered.

17. It is assumed there are no environmental concerns that would slow or thwart development of the subject property and that the soils are adequate to support the highest and best use conclusion.

18. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper qualification and only in its entirety. Permission is given for this appraisal to be published as a part of the Official Statement or similar document in association with the JCSD CFD No. 58 Special Tax Bonds.

HYPOTHETICAL CONDITION

1. It is assumed that all improvements and benefits to the subject properties, which are to be funded by the JCSD CFD No. 58 Special Tax Bond proceeds, are completed and in place.

EXTRAORDINARY ASSUMPTION

1. It is assumed that the cost and sales information provided by the builder is true and accurate. We have reviewed the sales, and they appear reasonable compared to sample public record documents, however we have not reviewed every home sale against public record documents. We have reviewed and analyzed the remaining costs and they appear reasonable; however, we did not receive detailed information and do not have expertise in cost estimating. If the costs differ, it will affect the value of the property.


Jurupa Community Services District
Community Facilities District No. 58 (Paradise Knolls)
(Sterling and Ivory at Paradise Knolls by Century Communities)
60
Beach Street
Limonite Avenue
Rancho Jurupa Drive
Boundaries Approximate
Aerial flown by AirViews 9/8/26
N

PURPOSE OF THE APPRAISAL

The purpose of this appraisal report is to estimate the value of the fee simple interest of the subject property, subject to the special tax lien of the JCSD CFD No. 58 Special Tax Bonds.

THE SUBJECT PROPERTY

The subject property consists of 153 proposed homes, both detached and attached, within the neighborhoods known as Sterling at Paradise Knolls (35 detached homes) and Ivory at Paradise Knolls (118 proposed attached homes), both being built and marketed by Century Communities. Sterling has been built and sold out while Ivory has closed on 63 of the proposed homes with the remainder of the lands being models, production homes over 95 percent complete, homes under construction and generally finished pads ready for development. Sales began in the subject property in October (Sterling) and March of 2025 (Ivory). Below is a summary of Sterling and Ivory along with the status and ownership of each lot.

Description	No. Lots	Owner	Condition/Status
Sterling by Century Communities (Units 1 thru 35 of Lot 1 through 6 of Tract 38258)			
Units 1-6 (Lot 1); Units 7-12 (Lot 2); Units 13-18 (Lot 3); Units 19-24 (Lot 6); Units 25-29 (Lot 5) and Units 30-35 (Lot 4)	35	Individuals	Completed Homes
Subtotal Sterling	35		
Ivory by Century Communities (Units 1-118 of Lots 1, 2 and 3 of Tract 38257)			
Units 29, 34-35, 37-38 and 41-78 and 99-118	63	Individuals	Completed Homes
Units 79 and 81-83	4	Century Communities	Model Homes
Units 22-28, 30-33, 36, 39-40 and 80	15	Century Communities	Homes over 95% Complete (4 in escrow)
Units 1-21 and 94-98	26	Century Communities	Homes Under Construction
Units 84-93	10	Century Communities	Finished Pads
Subtotal Ivory	118		
CFD No. 58 - TOTAL:	**153**		

INTENDED USE OF THE REPORT

It is the appraiser's understanding that the client, the Jurupa Community Services District, will utilize this report in disclosure documents associated with selling bonds for JCSD CFD No. 58 and that this report is to be included in the Official Statement or similar document to be distributed in connection with the offering of the bonds. It is the appraiser's understanding that there are no other intended uses of this report.

DEFINITIONS

Market Value

The term "Market Value" as used in this report 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, 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:*
>
> 1. *buyer and seller are typically motivated;*
> 2. *both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest;*
> 3. *a reasonable time is allowed for exposure in the open market;*
> 4. *payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
> 5. *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."*[1]

Inherent in the Market Value definition is exposure time or the time the property would have had to have been exposed on the open market prior to the appraisal in order to sell at the concluded values. In the case at hand and considering current market conditions the exposure time for the builder-owned property or for an individually owned home is under twelve months.

[1] The Appraisal of Real Estate, 13th Edition

Minimum Market Value

The term "Minimum Market Value" as used in this report is defined as:

> *"The base market value of a home. That is, most buyers purchase some upgrades, options and/or lot premiums when purchasing a new home. The sales price for the new home typically includes the base price for the plan, plus any upgrades, options or lot premiums, less concessions, if any, which were given or paid for by the builder. The concluded minimum market value is for the base value of the plan only, not taking into consideration any upgrades, options or premiums, however taking into account all incentives including any financing incentives."*

Mass Appraisal

The term "Mass Appraisal" as used in this report is defined as:

> *"The process of valuing a universe of properties as of a given date using standard methodology employing common data and allowing for statistical testing"*[2]

In the case at hand, the statistical testing included reviewing all original builder sales, reviewing the Multiple Listing Service for re-sales and current escrows (if any), and determining the actual range of sales and escrow prices for each plan type which is utilized in the valuation process.

Hypothetical Condition

The Term "Hypothetical Condition" is defined by USPAP as:

> *"That which is contrary to what exists but is supposed for the purpose of the analysis"*

The Hypothetical Condition within this report is that subject property is enhanced by the improvements and/or fee credits to be funded by bonds issued by JCSD CFD No. 58.

Extraordinary Assumption

The term "extraordinary assumption" is defined by USPAP as:

> *"An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusion"*

[2] USPAP 2016-2017 Edition

The Extraordinary Assumption in this report is that the reported sales amounts and remaining land development costs as received from the builder are true and accurate. We have reviewed the sales amounts and checked some against the public record and they appear reasonable; however, we have not reviewed escrow documents on each sale. We have reviewed and analyzed the remaining costs and they appear reasonable; however, we did not receive detailed information and do not have expertise in cost estimating. If the costs differ, it will affect the value of the property.

PROPERTY RIGHTS APPRAISED

The property rights being appraised are of a fee simple interest, subject to easements of record and JCSD CFD No. 58. The definition of "fee simple estate" is defined by USPAP 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."

EFFECTIVE DATE OF VALUE

The subject property is valued as of September 1, 2026.

DATE OF REPORT

The date of this report is October 8, 2026.

SCOPE OF APPRAISAL

As previously stated, the purpose of this appraisal is to report the appraiser's best estimate of the market value for the subject property. This appraisal will be presented in the following format:

- County of Riverside Description
- City of Jurupa Valley Description
- Immediate Surroundings Description
- Brief Description of JCSD CFD No. 58

- Subject Property Description
- Riverside County Housing Market Discussion
- Highest and Best Use Analysis
- Valuation Procedures, Analyses and Conclusions
- Appraisal Report Summary

The subject property consists of 35 single family detached homes (all sold and closed) and 118 proposed single family attached townhomes with 63 of the homes closed to individuals and an additional four in escrow. In valuing the subject property, the value estimates will be based upon the highest and best use conclusion using the Sales Comparison Approach. The Sales Comparison Approach to value is defined as:

> "…a set of procedures in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, then applying appropriate units of comparison and making adjustments to the sale prices of the comparables based on the elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant; it is the most common and preferred method of land valuation when an adequate supply of comparable sales is available."[3]

In the Sales Comparison Approach, market value is estimated by comparing properties similar to the subject property that have recently been sold, are listed for sale or are under contract. Neither a cost or income approach was utilized as they were not considered necessary to arrive at credible results. In addition, we have utilized a mass appraisal technique which included reviewing all builder sales, determining the prices paid for each plan type and using statistical analysis to analyze this information.

The due diligence of this appraisal assignment included the following:

1. Compiled demographic information and related that data to the subject properties to perform a feasibility/demand analysis.

2. Gathered and analyzed information on the subject marketplace, reviewed several real estate brokerage publications on historical and projected growth in the subject market and researched the micro and macroeconomics within Riverside County and the Jurupa Valley area.

3. Inspected the subject property between August 10, 2026, and September 1, 2026.

[3]Dictionary of Real Estate Appraisal, 4th Edition, 2002

4. Had the property flown for an aerial photograph on September 8, 2026.

5. Interviewed employees and/or representatives from the builder in order to obtain available information on the subject property.

6. Reviewed a Preliminary Title Report on the subject property.

7. Reviewed soils reports on the property.

8. Reviewed sales brochures and marketing information on the subject neighborhoods.

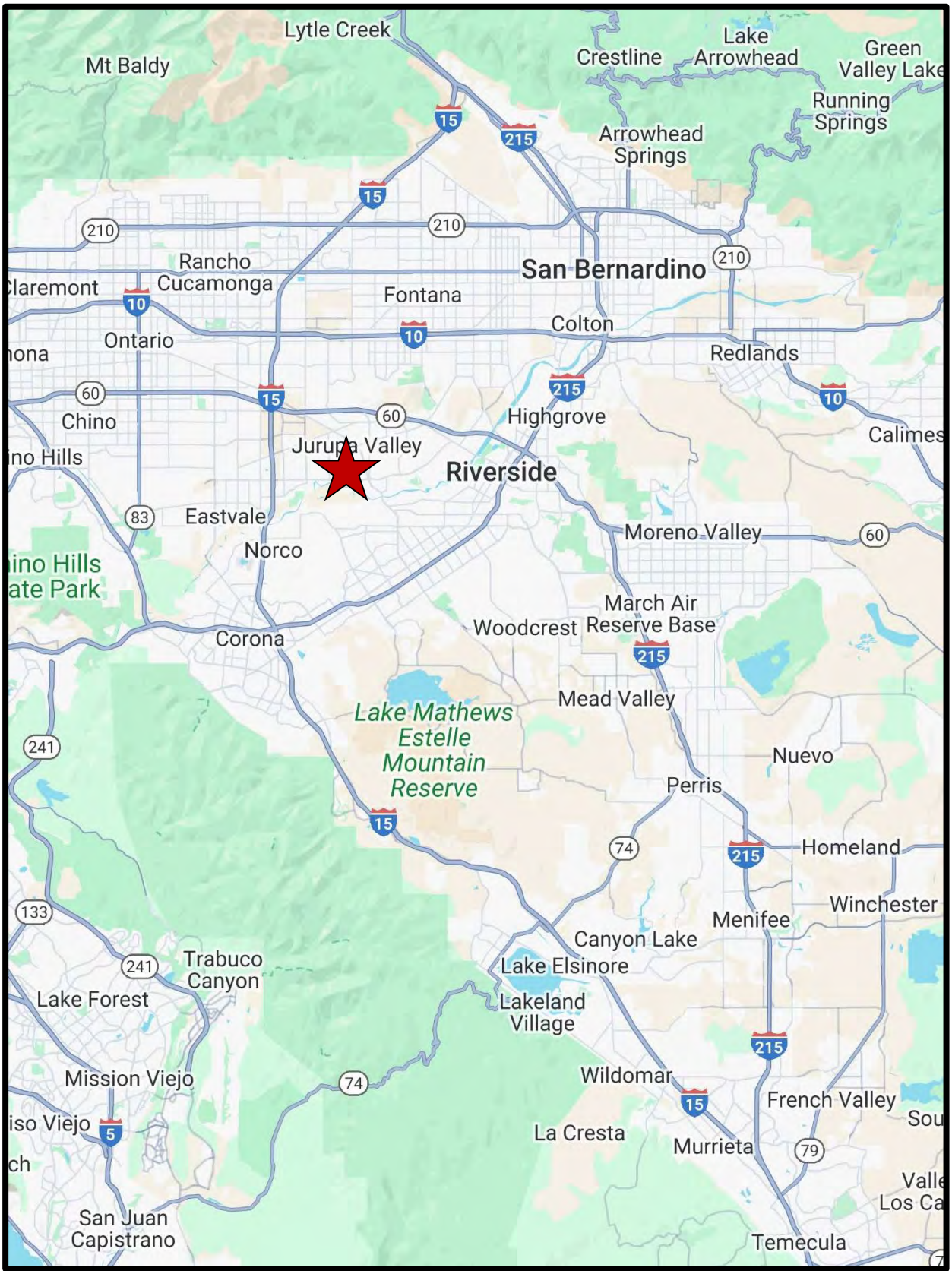
9. Reviewed actual developer sales information on all closed homes and current escrows.

10. Reviewed Multiple Listing Service ("MLS") information on any re-sales and current listings of existing homes within JCSD CFD No. 58.

11. Inspected the subject property for any for-sale or property listing signs for re-sales that may not be listed on the MLS yet.

12. Searched the area for relevant comparable new home residential projects, including sales prices and concessions and interviewed representatives from each comparable neighborhood.

REGIONAL AREA MAP



COUNTY OF RIVERSIDE AREA DESCRIPTION

Location

The subject property is located in the northwestern portion of Riverside County (the "County"), approximately three miles east of Interstate 15 ("I-15"), three miles south of the 60 Freeway, and a little over five miles north of the 91 Freeway, in the City of Jurupa Valley ("City"). The County encompasses approximately 7,300 square miles, and includes large expanses of undeveloped deserts, valleys, canyons, and mountains. The County is a major beneficiary of outward urban pressure from Orange and Los Angeles Counties as well as growth from San Diego County to the south. Although located at the periphery of most urban activity in Southern California, Riverside County, particularly the western area, has been a major growth area and is perceived by most observers as an area expected to continue to grow. Riverside and San Bernardino Counties are considered distinct from Los Angeles and Orange Counties and belong to the same Metropolitan Statistical Area ("MSA"). This area, consisting of San Bernardino and Riverside Counties, is commonly referred to as the Inland Empire.

Transportation

The subject property is situated approximately three miles east of I-15 and three miles south of the 60 Freeway, on the south side of Limonite Avenue at Beach Street (both the southwest corner and south of the southeast corners of Limonite and Beach). I-15 travels in a northerly/southerly direction west of the subject and provides access to Barstow and Nevada to the north and San Diego to the south. The 60 Freeway runs in an east-west direction north of the subject providing access into Los Angeles County to the west and merges with Interstate 10 to the east which provides access across California and into Arizona. The 91 Freeway is generally in a southwest to northeast direction about five miles south of the subject and provides access into Los Angeles to the west and to the San Bernardino mountains to the north when it merges with Interstate 215 ("I-215").

The County is served by Amtrak and Metrolink as well as several rail freight-lines. The Ontario International Airport provides regional air service and is located approximately eight miles northwest of the subject property while the Orange County Airport is located

approximately 30 miles southwest. The Riverside Municipal Airport, a small airport that serves general aviation as well as provides aircraft displays and hosts various aircraft events for the public, is located approximately three miles southeast of the subject. In addition, the County has extensive trucking corridors along the previously referred to interstates, highways, and state freeways.

Population

The County has experienced population growth for several decades and is anticipated to continue to do so in the foreseeable future. Per the California Department of Finance, January 1, 2026 (most recent available), County population was 2.507 million, representing a one-year increase of 0.4 percent. This compares to an average annual growth rate over the past fourteen years of about 0.7 percent, and an average annual growth rate of approximately 2.5 percent for the previous eighteen-year period. It should be noted however; California's overall population increased for the first time in 2024 by 0.2 percent following three years of decreasing population statewide. The 2026 Release notes that the State experienced a 0.14 percent decline in year over year population, largely due to the restrictive federal policy changes on legal international migration. Current State projections for Riverside County suggest the population is anticipated to reach approximately 2.533 million by 2030, indicating an average annual increase of approximately 0.26 percent over the next five years. The forecasted population for 2030 was reduced from an estimated 0.7 percent annual growth rate over the past year. Future growth is predicted assuming a more stable market than was seen prior to the Great Recession.

Economy

The U.S. economy has experienced challenging times in the past six years due to reactions from the COVID disruption and changes in the federal administration. These economic challenges include significant inflation, volatile interest rates, global wars, the unknowns of tariff agreements and reaching an agreement on the debt ceiling which shut down the government for 43 days in 2025.

During COVID, the Federal, State, County and City Governments ("Governments") originally shut down non-essential businesses and areas where social gatherings occur in order to slow the spread of the virus. This created a strain on small and large businesses alike. Restaurants and hotels were hit hard and travel reduced drastically as citizens were urged to stay home. Layoffs occurred with reports of 40 million people filing for unemployment in the first few months of the pandemic. The Governments attempted to curtail the job losses and hardships with the approval of over $5.6 trillion in COVID relief to our nation. In addition, the Federal Reserve Board ("Board") reduced interest rates and started quantitative easing by buying bonds. This legislation helped shore up the U.S. economy; however, due to the significant amount of new money introduced into the economy, inflation began occurring at a rate not seen for 40 years. In June 2022 the national inflation rate hit a peak of 9.1 percent with the current (July 2026) rate at 3.4, which is down from May and June's rates of 4.2 and 3.5 percent, mostly due to the spike in oil prices due to the Iran war. This compares to a 1.4 percent annual inflation rate for 2020, a 4.7 percent annual rate for 2021, an 8.0 percent annual rate for 2022, a 4.1 percent annual rate for 2023, a 2.9 percent annual rate for 2024 and a 2.7 percent annual rate of 2025 and an overall average of 1.74 percent annual rate between 2010 and 2020. Whether it was a result of world turmoil, supply chain issues due to the COVID disruption, additional money entering the economy or tariffs, inflation has hit Americans hard.

In an effort to curb inflation, the Board began raising interest rates. Between March 2022 and August 2023, there were eleven interest rate increases rising the Federal Funds Rate ("FFR") from 0.25 – 0.50 percent to 5.25 – 5.50 percent. The Board kept rates at 5.25 – 5.50 percent from September 2023 until September 2024 with three decreases occurring through December 2024, ending with the rate at 4.25 – 4.50 percent. This rate continued until September, October and December 2025, with three additional decreases bringing it down. At the first five Board meetings of 2026, they kept the rate steady with a 0.25 percent increase in September 2026, to the current rate of 3.75—4.00 percent. This recent increase was anticipated by Wall Street. While the eleven increases appeared to help slow inflation, the quick, significant increases strained bank balance sheets and created significant volatility on home mortgages. The FFR increases which occurred between March 2022 and August 2023, increased a typical 30-year fixed mortgage rate

from 2.98 percent as of November 10, 2021, to the high of 7.79 percent as of October 2023; however, the rate has dropped to 6.95 percent as of September 17, 2026 (per Federal Reserve Economic Data-St. Louis) with mortgage rates generally between 6.0 and 6.75 percent since October 2025, however the recent increase brought the rate above this range. This steep increase which occurred in mortgage interest rates significantly affected the real estate market. The first-time homebuyer pool grew up thinking interest rates were always sub-four percent and are still reeling from shock over the recent 6.0 to 7.0 percent rates. In order to combat the unaffordability of these higher rates, many homebuilders however, have been "buying down" the mortgage rates in order to keep new home sales going. This will be discussed further in the Riverside County Housing Market section later within this report.

On October 1, 2025, the US government shut down due to the government being unable to reach agreement on a spending plan. The main issue was the extension of health care subsidies which began during the COVID pandemic due to healthcare costs skyrocketing. After a 43-day shutdown, an agreement was reached which extended money for most federal agencies until January 30, 2026, along with funding for food aid, the Department of Agriculture, Congress and veterans affairs until September 2026. The government had a partial shutdown this year due to disagreement on Department of Homeland Security funding, however an agreement was reached with December 11, 2026 being the next deadline.

The COVID disruption to the economy also caused extreme volatility in the stock market with the Dow Jones Industrial Average ("DJIA") dropping from 29,398 in February 2020 to 19,174 in March 2020, a drop of 37 percent. Government interventions resulted in a bounce back in the DJIA to 27,111 by June 2020 with the stock market then climbing up to a peak of 36,799 in January 2022. In February 2022, Russia began invading Ukraine which caused volatility in world economics followed by U.S. inflation resulting in a 20 percent drop to a low on September 30, 2022 (28,150) with a bounce back to between 33,000 and 34,000 throughout the majority of 2023. The FFR rate increases began helping to stabilize the economy (reducing inflation) to a point where analysts began predicting decreases in the FFR in 2024. This occurred in late 2024 with three reductions

which buoyed the stock market to a new high of 44,910 which was reached in late 2024. In 2025 the stock market saw volatility due to the new administration's uncertain tariffs (hit annual low of 38,315 in April), followed by a generally steady increase mostly due to the NASDAQ (tech heavy index) increasing about 50 percent, partially due to the race for Artificial Intelligence ("AI") with a new high of 50,188 in February 2026. However, on February 28, 2026, the U.S. and Israel launched airstrikes on Iran, which has caused some volatility. At the beginning of August 2026, the DJIA reached a new record high of 54,349 and as of September 3, 2026 the DJIA was at 53,686. It should be noted that the dollar has weakened with gold and silver hitting all-time highs in January 2026. Current concerns on the U.S. economy include the nation's debt, global wars, tariff uncertainties and the debt limit which can only be increased through government approvals.

The significant increase in mortgage rates between 2022 and 2023 is just one part of the puzzle affecting the impact of new housing on the broader economy. Additional risks include homebuilders trying to find balanced inventory levels, supply chain issues, both wage and price increases, unknown tariffs on building materials, construction workers immigration status, the affordability index at all-time lows and persistent inflation. Over the past 25 years, the Inland Empire economy saw significant cycles with home prices almost doubling from 1995 to 2005, then falling by over 50 percent during the Great Recession, taking prices back to 2002 levels in 2011. Home values appeared to hit bottom in 2009 then remained essentially flat for two to three years with the majority of the Inland Empire housing market seeing an improvement beginning in mid-2012. Contrary to homebuilders' original thoughts of a slowdown due to the COVID pandemic, new home buyers stepped up in the spring of 2020 and new home sales were significantly higher during the second half of 2020 versus the previous year and continued extremely strong throughout 2021. This exceptional activity in new home sales was the one bright spot in the COVID recession and is thought to be due to several factors, including: a tight supply of resale homes; historically low interest rates; millennials finally buying homes; and the work from home factor which began during the pandemic and allowed residents to live in more suburban areas without long commutes. As rates began increasing in early 2022, there was a significant slowdown in home sales within the Inland Empire, with year-over-year decreases in home listings of about 30 percent between October 2022 and October

2023 as homeowners did not want to give up their low-interest mortgages. The scarcity of existing home listings put pressure on pricing as the demand for homes continued with median home prices in the Inland Empire increasing about 50 percent from 2019 levels. It should be noted, however, the increase in pricing has slowed substantially with most indexes reporting a slight decrease over the past year. Even with the recent slow-down in growth, the current real estate cycle upturn is the longest in recent history.

While most jobs have come back, job losses were significant during the COVID recession as the Nation's unemployment rate went from 3.5 percent in February 2020 to 14.4 percent in April 2020 with decreases through the fall season of 2020. Since that time the national unemployment rate generally ranged between 3.5 percent and 4.5 percent between December 2021 and today with the July 2026 National unemployment rate at 4.4 percent. The unemployment rate for the MSA was estimated at 5.7 percent (as of July 2026, most recent available per the Employment Development Department). This reflects a decrease from the peak during the Great Recession of 15.1 percent in 2010 and a decrease from the peak during COVID of 14.9 percent. As of July 2026, Riverside County's unemployment rate was 5.9 percent and San Bernardino County had a 5.5 percent unemployment rate. The current unemployment rate for the MSA of 5.7 percent is slightly higher than the California rate at 5.3 percent and higher than the July 2026 National rate of 4.4 percent. Below is a table comparing Riverside County's unemployment rate to the unemployment rates of the surrounding counties as of July 2026.

Jurisdiction	As of	Unemployment Rate*
Los Angeles County	Jul-2026	5.2%
Riverside County	Jul-2026	5.9%
San Bernardino County	Jul-2026	5.5%
Orange County	Jul-2026	4.2%
San Diego County	Jul-2026	4.7%

Source: State of California E.D.D.; *Not Seasonally Adjusted

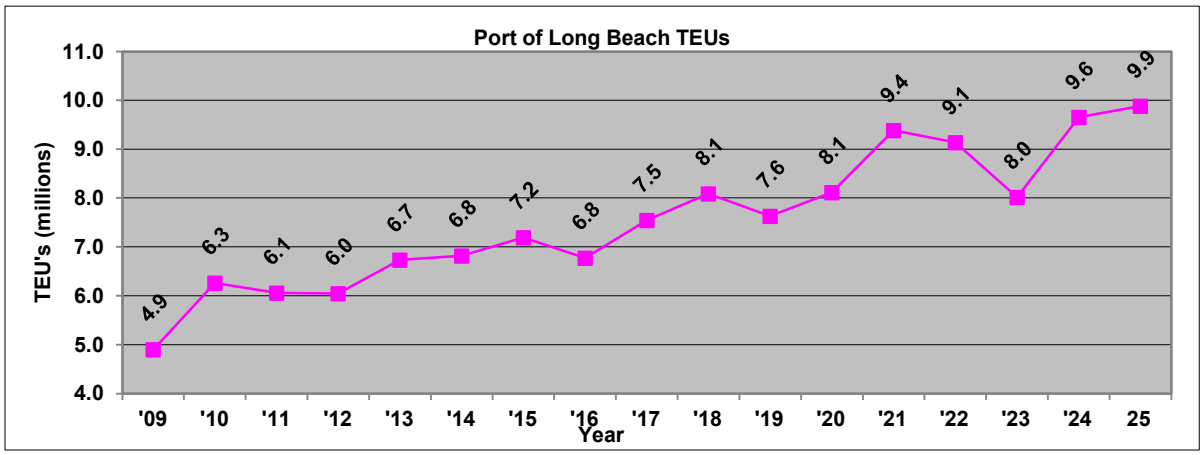
The latest UCLA Anderson Forecast ("Forecast") was June 3, 2026, with a finding that the economy is confronting another inflationary shock driven by the war in Iran. In the last Forecast in March 2026, the essence was that tariff-driven inflation had appeared to peak and the labor market began to stabilize, however with the Strait of Hormuz closed down due to the war in Iran, rising energy prices are creating a new source of pressure on households, businesses and the Federal Reserve. The National Forecast states "the 2020s are beginning to look eerily similar to the 1970s," a decade marked by high inflation, slow growth and the reemergence of the term "stagflation." The current Forecast does not predict a repeat of the 1970s but the comparison reflects the sequence of supply shocks this economy as experienced since 2020: pandemic-era supply-chain disruptions, the war in Ukraine, tariffs, and now the war in Iran. The primary economic impact of the oil shock is inflation. CPI inflation rose from 2.4 percent in January and February, to 3.3 percent in March and 3.8 percent in April. Since the Forecast the May 2026 inflation rate came out at 4.2 followed by a 3.5 percent rate in June and 3.4 percent rate in July 2026. The Forecast states inflation should peak at 4.5 percent by the end of 2026. The labor market has held up better than expected but remains more stagnant than strong. They anticipate unemployment to increase to 4.5 percent (national rate) by the end of the year (currently 4.4 percent). Regarding the Federal Reserve, the Forecast anticipated the central bank to hold rates steady for the remainder of the year, however, the rate was recently increased. GDP growth grew at 2.1 percent in 2025 with the same 2.1 percent growth anticipated this year followed by a weaker 1.8 percent growth rate in 2027. The main counterweight for higher inflation and slower growth is the surge in artificial intelligence investment. Combined with tax cuts, this investment is anticipated to help the U.S. economy absorb the oil shock without falling into a recession. In summary, the national economy is being tested with another supply shock with the central risk shifted from tariff-driven inflation to energy-driven inflation. The baseline forecast does not call for a recession, but it does anticipate slower growth, higher inflation and a Federal Reserve with little room to cut interest rates.

The California Forecast describes a state economy that remains bifurcated. California continues to outperform the U.S. in output and income growth, but employment remains weak and uneven. The bifurcation is not geographic, but sectoral, with AI, aerospace and other tech on one side, and the rest of the economy on the other. Increased demand for commercial aircraft, defense goods and space products is expected to continue into late 2026, 2027 and 2028. At the same time, California's labor market remains weak with an over 5.0 percent unemployment rate for over 27 months (currently at 5.2 percent). The logistics sector had been a large part of the employment growth over the past few years is anticipated to show little growth in 2026 and 2027 due to lower consumer demand, higher fuel costs and supply chain interruptions. Housing remains a major constraint with new home permits remaining relatively flat at around 110,000 new units over the past year, significantly below what is needed to address the State's housing affordability problem. The Forecast estimates 115,000 new permits for the 2026 year increasing up to 122,000 new permits in 2028. It should be noted that these estimates are significantly lower than the Forecast estimates of one year ago.

The California Forecast includes estimated unemployment rates of 5.5 percent for 2026, 5.1 percent for 2027 and 4.2 percent for 2028. This compares with real personal income growth estimated at 2.3 percent for 2026, 2.4 percent for 2027 and 2.5 percent for 2028. In summary, California continues to benefit from AI, aerospace and high-productivity sectors, but its labor market remains weak and its exposure to fuel prices, logistics disruption, deportations and housing constraints makes the outlook weaker than it was three months ago.

As a final indicator of overall economic activity for the region, we have reviewed the rise and fall of TEUs (Twenty-foot Equivalent Units – i.e., containers) being processed in the local ports. This is especially important for the Inland communities, as it represents much of the growth in development of West Coast distribution centers and warehouses in the Inland Empire linked to supply-chain nodes in the Pacific Rim. The chart below shows TEU activity at the Port of Long Beach. Generally, there had been increases since 2009 except for slight dips in 2016, 2019, 2022 followed by an over 12 percent dip in 2023 due

to cooling consumer demand. The calendar year 2024 saw an over 20 percent increase while in 2025 there was a 2.5 percent increase, back to a typical overall trendline. Current year to date total TEUs for 2026 is at nearly 5.8 million as of July 2026, which is trending at a 1.2 percent increase over the previous year.



Government

A Board of Supervisors oversees the County as the governing body of the County, certain County special districts, and the County Housing Authority. The Supervisors enact ordinances and resolutions, adopt the annual budget, approve contracts, and appropriate funds, determine land use zoning for unincorporated areas, and appoint certain County officers and members of various boards and commissions. The Board of Supervisors is elected from five different districts within the County.

Education

The subject area is served by the Jurupa Unified School District which operates 16 elementary schools, three middle schools and four high schools including one continuation high school. Higher education is available within an hour's drive at the University of California campuses at Los Angeles, Riverside and Irvine or California State University campuses in San Bernardino, San Marcos, Fullerton, and Pomona along with several additional private colleges. The closest public community colleges include the Riverside Community College District with Riverside City College, Moreno Valley College

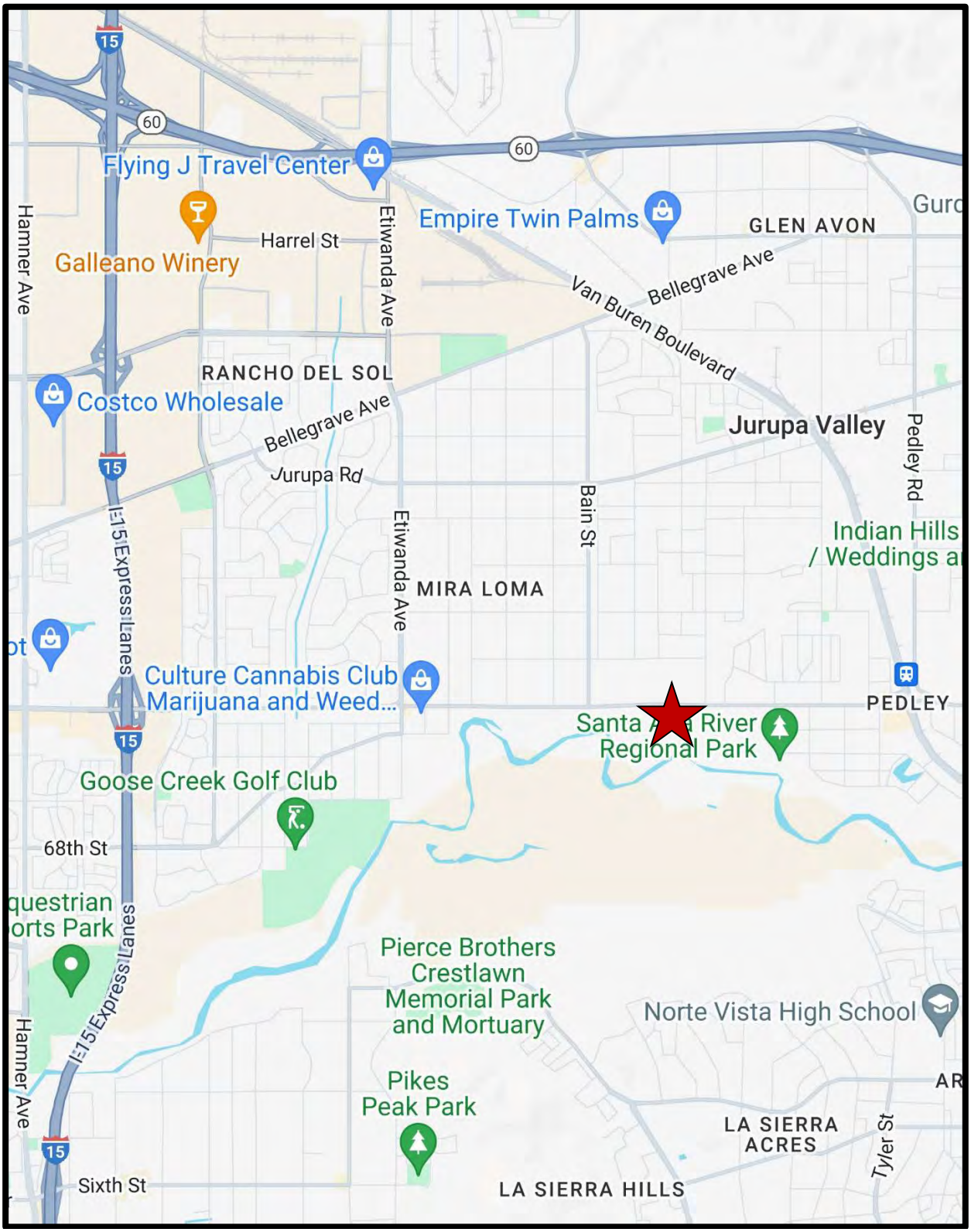
and Norco College and the San Bernardino Community College District with San Bernardino Community College and Crafton Hills College.

The subject property is served by Pedley Elementary School one mile northeast), Mira Loma Middle School (1.5 miles north), and Jurupa Valley High School (2.4 miles northwest).

Conclusion

Population in the County has increased over the past 20 years with predictions for continued population growth. The Nation's economy has been slowing after the Board increased the FFR to over five percent to fight historical inflation which began during COVID. One bright spot during COVID was housing: the region's relative affordability and low interest rates, coupled with the rising prices in the coastal market and the demand for housing, set up a new housing boom. This was followed by a significant drop in sales due to increasing mortgage rates and existing homeowners being unwilling to give up their low-rate mortgages. Current concerns for the Inland Empire economy include stubborn inflation, the high prices of homes, higher interest rates, supply chain issues, and global wars, which are all creating volatility in both local and global financial markets. The Iran War has increased fuel prices substantially which is hitting all Americans hard. In conclusion, the County is expected to continue to grow in population due to its Southern California location, the availability of land, and the relatively lower land and housing prices in comparison to adjacent Orange, Los Angeles, and San Diego Counties.

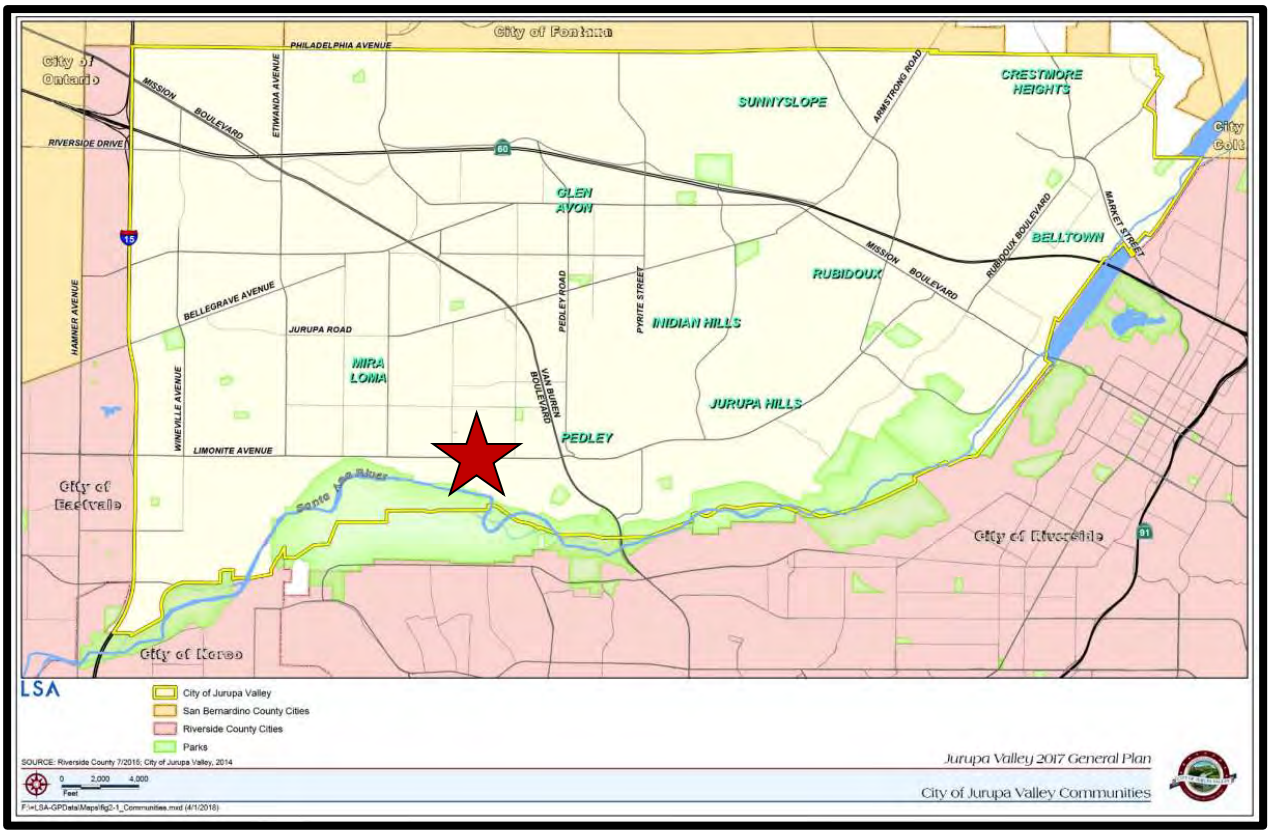
LOCAL AREA MAP



CITY OF JURUPA VALLEY DESCRIPTION

General Area

The subject property is located in the southwestern portion of the City of Jurupa Valley ("City") in northwestern Riverside County north of the cities of Norco and Riverside, east of Eastvale and south of Fontana and the San Bernardino/Riverside County line. Jurupa Valley covers approximately 43.5 square miles. The area was predominantly dairy farms and agricultural lands until the late 1990s when it began transitioning into industrial and residential neighborhoods. Jurupa Valley was incorporated on July 1, 2011. The red star represents the approximate location of the subject property in relation to the City (the yellow line represents the City boundary).



History

The Jurupa Valley was originally an agricultural area known for grapevines and dairy farms. The original name of the area was Wineville which was changed to Mira Loma in the 1930s. Rancho Jurupa or Jurupa Valley was originally granted by the Mexican

government to Juan Bandini in 1838. The original Ranch was separated from the City of Riverside by the Santa Ana River which formed the south boundary and the San Bernardino County line which formed the north boundary.

Population

At incorporation in 2011 Jurupa Valley combined the unincorporated communities of Jurupa Hills, Mira Loma, Glen Avon, Pedley, Indian Hills, Rubidoux, Belltown, Sunnyslope and Crestmore Heights with an estimated population of 94,235. Per the California Department of Finance, the January 2026 (most recent information available) estimated population was 105,349. This represents an -0.8 decrease from January 2025. In comparison, Riverside County experienced a 0.4 percent growth rate over the past year, however, the population of the State decreased by 0.1 percent, similar to the City. It should be noted that the COVID disruption to the economy put a hiccup in normal population growth trends, and Jurupa Valley was previously one of the fastest growing cities in the State. The past year's growth rate of -0.8 percent compares with an average annual population growth rate since incorporation of nearly 1.0 percent per year (included portion of the great recession). The population is anticipated to increase at a faster rate than the overall County due to the availability of land for development coupled with the new residential developments currently underway and in planning within the City limits.

Housing

Historical demographics for Jurupa Valley are unavailable at this time due to its more recent incorporation. The area was made up of older housing including small farms and ranches. In the past 25 years, the northwestern area of Riverside County has experienced a population boom including the cities of Corona, Eastvale and now Jurupa Valley. Due to the proximity to Orange and Los Angeles Counties, South Corona was developed during the 1990s and Eastvale transitioned from dairy farms to residential neighborhoods in the 2000s. As these two cities neared build-out and vacant land became harder to find, Jurupa Valley, Chino, and the Ontario Ranch area of Ontario (formerly known as the New Model Colony) began developing. Currently in Jurupa Valley, DR Horton, Lennar, Richmond American, R.C. Hobbs and Century Communities (subject) are marketing new homes.

The Ontario Ranch is located approximately one-half mile west of I-15 in the County of San Bernardino. The master plan is proposed for over 30,000 new homes. There are currently over a dozen new home neighborhoods selling in Ontario Ranch within seven miles of the subject property.

Government / Economy

The City of Jurupa Valley had a rocky financial start due to Senate Bill 89. Senate Bill 69 passed in late 2014 which restored millions in state revenue that was stripped from newly incorporated cities as a result of the passage of Senate Bill 89 in July 2011, immediately after Jurupa Valley's incorporation. Senate Bill 89 changed a portion of DMV revenue from cities to the State and hit newly incorporated cities hard. The passage of Senate Bill 69 restored this vital revenue. The City of Jurupa Valley is served by a City Council made up of the mayor, mayor pro-tem and three council members.

The early economy of Jurupa Valley included agriculture and farming. In the 1990s however, the location was found to be advantageous for industrial development. The area along with Ontario and Fontana is served well by the I-10, State Route 60 and I-15, all major transportation corridors for trucking activity in Southern California. The increase in distribution centers due to internet shopping has been a boon to the area with several new buildings recently completed and several more under construction. Most notably, the Amazon Fulfillment Center located just four miles northwest of the subject in Eastvale has brought many new jobs to the area.

Jurupa Valley houses a multitude of retail as well. There is shopping available along Limonite Avenue, in close proximity to both the west and the east of the subject, including the Jurupa Springs Shopping Center. At Limonite Avenue and I-15 is the Vernola Marketplace, featuring a Lowes, ALDI, Dollar Tree, Bevmo, Petco and Ross in addition to several restaurants. Neighboring cities also offer ample shopping to Jurupa Valley residents. Eastvale Gateway is a large shopping center on the west side of I-15 at Limonite, and includes a Home Depot, Target, Dick's Sporting Goods, Kohl's, Best Buy, Vons, a Regal Edwards movie theater. Riverside Plaza and Magnolia Town Center offer

a variety of shops to the east. Riverside Plaza sits at the northeast corner of Central Avenue and Magnolia Avenue and includes a Trader Joe's, Nordstrom Rack, Marshalls, Ulta Beauty, Burlington as well as an El Torito, California Pizza Kitchen and much more.

Summary

Jurupa Valley is an incorporated city transitioning from an industrial hub (at the convergence of interstate freeways) and rural housing/ranches to areas of new developed residential communities. The location makes it attractive to commuters due to adjoining Los Angeles and Orange Counties. The adjacent city of Eastvale is nearing build-out and Jurupa Valley is in the immediate line of development. Several major retail projects have opened and appear to have been well received within five miles of the subject. The Jurupa Valley area has land available for development with several projects (five, including the subject) currently selling. Median housing prices have risen substantially over the past decade.

IMMEDIATE SURROUNDINGS

The subject property is located east of I-15 and south of the 60 Freeway, at the southwest corner and south of the southeast corners of Limonite Avenue and Beach Street, just north of the Santa Ana River in the City of Jurupa Valley. The subject is surrounded by existing residential homes to the east, vacant lands to the north and south, and an existing vocational school to the west (California-Nevada Electrical Joint Apprenticeship Training Trust Fund), and is accessible from Beach Street via Rancho Jurupa Drive. Access to the community is average with offramps from I-15 approximately three miles west on Limonite Avenue, or approximately three miles north from the 60 Freeway via the Van Buren Boulevard, Mission Boulevard, or Pedley Road offramps. From I-15, take the Limonite Avenue exit, head east approximately three miles to Beach Street, then south on Beach Street. The communities both have entrances from Beach Street, and Ivory has an additional entrance from Rancho Jurupa Drive, just south of the subject. From the 60 Freeway, take the Van Buren Boulevard exit southeast for three miles to Limonite Avenue, then west on Limonite Avenue for three quarters of a mile to Beach Street. The community is built around the vacant lands north of the Santa Ana River, which is located just 600 feet south of the southernmost part of the subject.

The subject is bounded by vacant lands to the north and south, plus existing homes to the east (Bridle Path at Paradise Knolls, a previous phase built and sold by Richmond American). To the south is the Santa Ana River, with Santa Ana River Regional Park, a passive open space park, located south of the community. To the west, there is a vocational school for electrical apprenticeships.

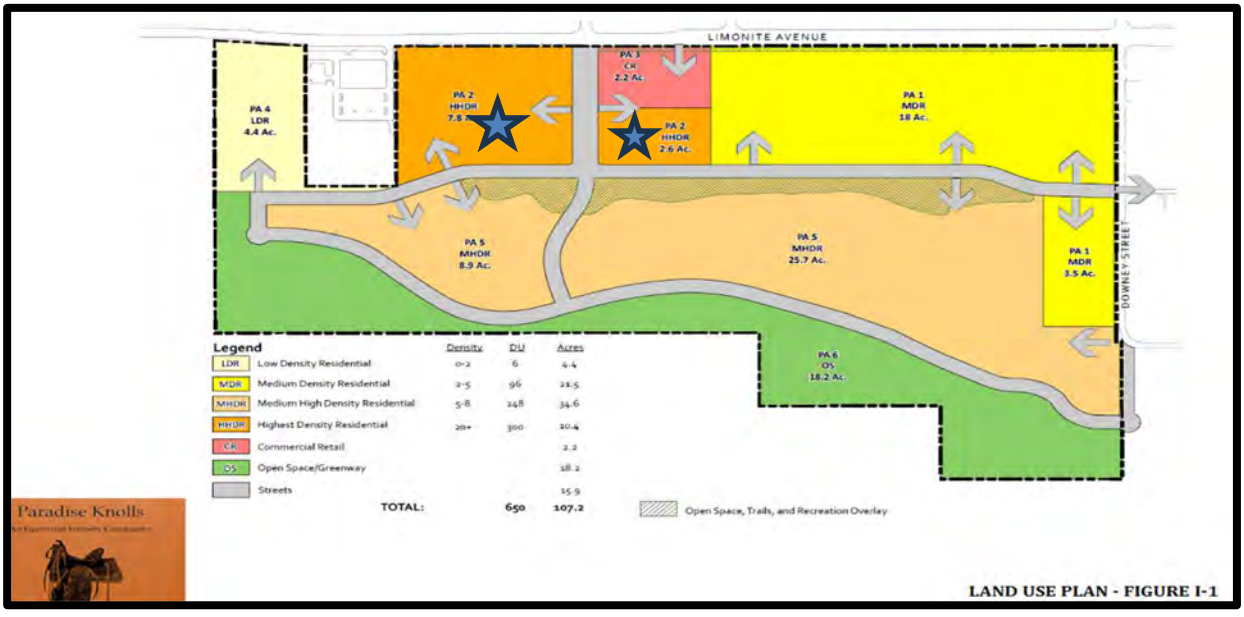
Looking past the immediate adjacent lands, the more rural residential homes continue north and east of the subject, with some light industrial or commercial uses scattered throughout to the northwest. Further south and southwest vacant lands continue surrounding the Santa Ana River, with several parks/open space area on the south side of the River, such as the Hidden Valley Nature Center and the Hidden Valley Wild Life Area. Approximately two miles southwest of the subject, adjacent north to the Santa Ana River is the Goose Creek Golf Club, an 18-hole public golf course.

Shopping is abundant within three miles of the subject, with Limonite Avenue providing a major shopping arterial through Jurupa Valley. The closest shopping is available less than one mile east on Limonite Avenue, where Jurupa Springs Shopping Center sits at the southwest corner of Limonite Avenue and Van Buren Boulevard. Jurupa Springs Shopping Center is anchored by a Walmart and a 99 Cent Store, and features several restaurants. Further east on Limonite is the Jurupa 14 Cinemas movie theater and several shopping centers from Clay Street to Camino Real. This stretch of shopping approximately two miles east of the subject includes a Stater Brothers market, Dollar Tree, Chase Bank, UPS Store, Crunch Fitness, Walgreens, Starbucks, Big 5 Sporting Goods, along with many restaurants and other stores. To the west of the subject, there is another Stater Brothers grocery store within about two miles on the southwest corner of Limonite Avenue and Etiwanda Avenue, along with an AutoZone and several other smaller shops and restaurants. Further west of the subject at Limonite Avenue and the I-15 are several larger shopping centers: the Vernola Marketplace, and on the west side of I-15 is the Eastvale Gateway shopping mall.

The subject property is within the Jurupa Unified School District boundaries with Pedley Elementary School 0.75 miles northeast) serving the area along with Mira Loma Middle School (1.6 miles north) and Jurupa Valley High School (2.6 miles northwest) also serving the community.

PARADISE KNOLLS – SPECIFIC PLAN NO. 1402

The subject property is identified as Planning Area 2 (divided by entry street) within the Paradise Knolls Specific Plan ("Specific Plan") which includes 10.4 acres with up to 300 dwelling units allowed. The Specific Plan was adopted by the City of Jurupa Valley in April 2016 and was prepared by Matthew Fagan Consulting Services of Temecula, California. Per the Specific Plan the entire property was formerly the Paradise Knolls Golf Course consisting of 107 acres of gently rolling topography with the Santa Ana River along the southern boundary. The Specific Plan in its entirety is proposed for 650 residential units (subject property being 10.4 acres of the 107 acres) with an equestrian themed neighborhood that is intended to be a naturalistic, landscaped, pedestrian friendly, nostalgic, and unique neighborhood setting connected by trails, parks and landscaped walkways. Limonite Avenue generally forms the northern boundary of the Specific Plan, Downey Street forms the majority of the eastern boundary, with the Santa Ana River open space area forming the southern boundary. The Specific Plan generally surrounds the California-Nevada Line Construction Industry training facility which is between PA 4 and PA 2 on the below map with a small commercial designated site (vacant) along Limonite Avenue (PA 3), just north of a portion of PA 2. Existing commercial development is within ½ miles to the east and the Pedley Metrolink Station is approximately 0.8 miles to the east. Below is the land use plan map per the Specific Plan with the subject property shown in bright orange and identified as Planning Area 2 with the blue stars.



The entire Specific Plan has approvals for 650 residential units along with a 2.2 acre commercial/retail component (shown in red on the previous map). The land use summary is shown below with Planning Area 2 being the subject property.

General Plan Land Use	Planning Area	Acres	Target Density	Proposed Units	Allowed # Units Range
Low Density Residential (1/2 ac minimum)	PA 4	4.4	0 – 2 du/ac	6	0-10
Medium Density Residential	PA 1	21.5	2-5 du/ac	96	44-110
Medium High Density Residential	PA 5	34.6	5-8 du/ac	248	173-277
Highest Density Residential	PA 2*	10.4	20+ du/ac	300	145-312
Non-Residential – Commercial/Retail	PA 3	2.2	N/A	0	0
Open Space	PA 6	18.2	N/A	0	0
Circulation	N/A	15.9	N/A	0	0
Totals		107.2	6.06 du/ac	650	362-709

*Planning Area 2 refers to the subject site.

Planning Area 2 is designated for the Highest Density Residential and is divided by the entrance street into the neighborhood with the subject Sterling community located east of the entry and the subject Ivory community located west of the entry. While the Specific Plan allows for up to 300 units on the 10.4 acres, the allowed range of units is between 145 and 312 dwelling units. The subject property now has approved mapping for 153 units which is within the allowed range of Specific Plan.

Thus far, Planning Area 1 has been developed with 107 single family detached homes which were built and sold out in 2023 and 2024. The eastern portion of Planning Area 2 (Sterling) has been completed and sold out while the western portion of Planning Area 2 (Ivory) is currently under development.

JURUPA COMMUNITY SERVICES DISTRICT CFD NO. 58

On November 13, 2023, the Board of Directors of Jurupa Community Services District ("District") adopted Resolution No. 3357 establishing JCSD CFD No. 58. On September 25, 2023, the Board approved the formation of the district. JCSD CFD No. 58 was formed with the expectation that the facilities will not exceed $8,000,000. The types of facilities to be provided by JCSD CFD No. 58 include water system facilities, including capacity in existing facilities of the District and sewer system facilities, including capacity in existing facilities of the District along with incidental expenses which are incurred including the cost of planning and designing the facilities and the cost of environmental evaluations thereof, the issuance of the bonds thereof, the determination of the amount of and collection of special taxes, the payment of special taxes and costs otherwise incurred in order to carry out the authorized purposes of the community facilities district and any other expenses incidental to the construction, completion and inspection of the facilities.

As noted in the Rate and Method as established for CFD No. 58, the special tax amounts for debt service and facilities for developed property are shown in the table below, with Zone A referring to Ivory and Zone B referring to Sterling.

Taxable Property	Land Use Classification	Special Tax
Zone A (Ivory)		
Residential	Less than 1,200 SF	$2,800 per parcel
Residential	1,200 to 1,400 SF	$2,950 per parcel
Residential	1,401 to 1,600 SF	$3,100 per parcel
Residential	Over 1,600 SF	$3,250 per parcel
Non-Residential	N/A	$129,404 per net acre
Zone B (Sterling)		
Residential	Less than 1,650 SF	$3,425 per parcel
Residential	1,650 to 1,850 SF	$3,625 per parcel
Residential	Over 1,850 SF	$3,825
Non-Residential	N/A	$90,124 per net acre

The Bond Proceeds to be generated from the sale of the JCSD CFD No. 58 Bonds per the latest CFD Bond Sizing (dated October 1, 2026) is $5,914,197 with the Bond Par Amount estimated at $5,790,000 and a net discount of $83,677 and funds on hand estimated at $207,874. The project fund deposits are estimated at $5,146,541 (including the funds on hand) with the reserve fund of $401,856 and costs of issuance and underwriter's discount of $365,800 (above amounts are subject to change). It is the appraiser's understanding that the overall taxes for the subject property will not exceed two percent. A copy of the JCSD CFD No. 58 boundary map is located in the Addenda for your review.

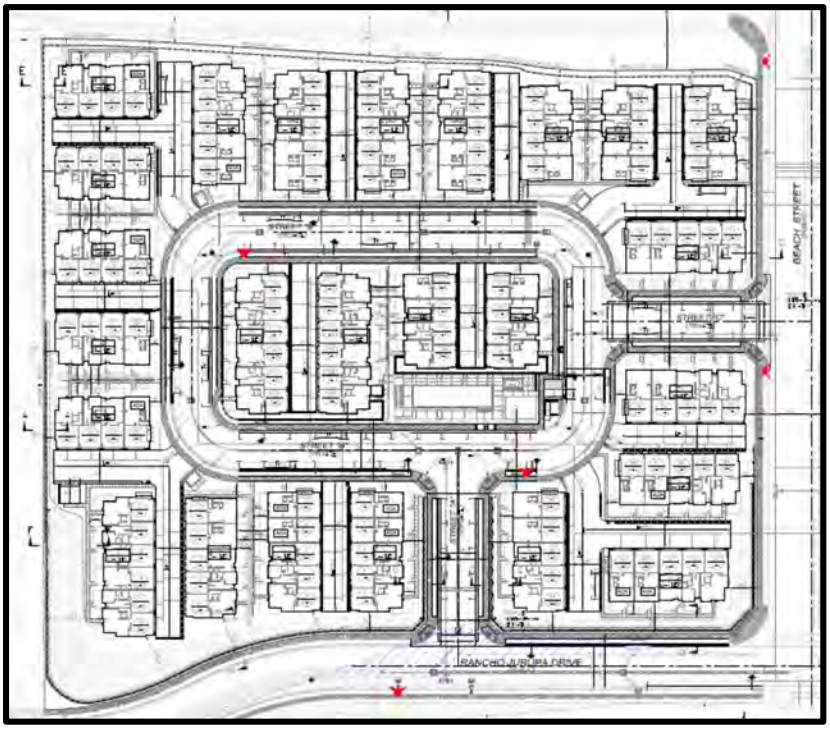
SUBJECT PROPERTY DESCRIPTION

The subject property consists of 35 single-family detached homes in a cluster format known as Sterling (shown on the first site plan) and 118 proposed attached single-family homes known as Ivory (shown on second site plan) both being developed by Century Communities.

STERLING



IVORY



Location:	Sterling: East side of Beach Street at the northeast corner of Beach Street and Rancho Jurupa Drive in the City of Jurupa Valley, Riverside County. Ivory: West side of Beach Street at the northwest corner of Beach Street and Rancho Jurupa Drive in the City of Jurupa Valley, Riverside County.
Legal Property Description:	Sterling: Lots 1 through 6 of Tract Map 38258 in the City of Jurupa Valley, County of Riverside, State of California. A copy of the Tract Map is located in the Addenda. Ivory: Lots 1 through 3 of Tract Map 38257 in the City of Jurupa Valley, County of Riverside, State of California. A copy of the Tract Map is located in the Addenda.
Property Owner:	Sterling: Individuals as to Units 1-35 on Lots 1-6 of Tract 38258 Ivory: Individuals as to Units 29, 34-35, 37-38, 41-78 and 99-118 of Tract 38257; Century Communities as to Units 1-28, 30-33, 36, 39-40 and 79-98 of Tract 38257.
Assessors Parcel Nos.:	Sterling:162-340-005 through -011 Ivory: 162-340-001 through -004
Property Taxes:	We have reviewed the Riverside County Tax Collector's 2025 tax bill for 9704 New Forest Lane, a sample lot within Sterling at Paradise Knolls. Per the tax collector the total 2025 property tax invoice is $11,564.60 based on an assessed value of $602,935. The general-purpose taxes are $6,029.35; the taxing authority charges (includes Jurupa Unified School District, MWD West, and Riverside City Community College) total $691.39; the special assessment for CFD 58 (subject CFD) is $3,625.00; the special assessment for CFD 2019-001 Paradise Knolls A is $363.28; the special assessment for CFD PS 2021-001 is $245.90; the special assessment for CFD 2016-1 is $506.24; the special assessment for CFD 2019-001 Paradise Knolls B is $84.48 and miscellaneous charges of $18.96. The total overall tax rate on the assessed value equates to 1.92 percent which is typical for homes within Jurupa Valley with similar CFDs.
Three-Year Sales History:	Century Communities of California LLC has owned the lands for more than three years. Century Communities of California LLC began closing homes to individuals on December 27, 2024, and has closed 98 homes to individual homebuyers between December 27, 2024, and September 1, 2026.

Size and Shape: Sterling: Tract No. 38258 is rectangular in shape and contains 2.619 gross and 2.616 net acres, with 6 numbered lots and 2 lettered lots. The numbered lots represent the motorcourts, which are then into 35 detached condo lots, with a typical lot size of 2,000 square feet. The lettered lots are the internal streets and setback areas.

Ivory: Tract No. 38257 is also roughly rectangular in shape and contains 7.944 gross acres and 7.909 net acres. The difference in gross and net acres refers to set-back areas and both internal and surrounding street rights-of-way).

Zoning: Per the City of Jurupa Valley's Zoning Map, the subject site is shown as SP for Specific Plan. Per the Paradise Knolls Specific Plan No. 1402, the subject sites are known as Planning Area 2 which are designated for Highest Density Residential (20+ du/acre). The Specific Plan states a target dwelling unit count of 300. The subject's total of 153 units falls well within the allowed range permitted by the Specific Plan.

Entitlements: The subject property is covered by Tract Map Nos. 38257 and 38258, both of which were recorded December 7, 2023. Tract Map No. 38258 (Sterling) encompasses 2.619 gross acres and allows for 6 numbered lots and 2 lettered lots. An additional site plan shows Tract Map No 38258 mapped into 35 detached condo lots with a typical lot size of approximately 2,000 square feet. Tract Map No. 38257 (Ivory) contains 7.944 gross acres and a site plan allows for 118 townhomes. In addition, there are internal streets and setback areas within the Tract Maps. A copy of both tract maps are located in the Addenda.

Soils Review: We have reviewed the "Geotechnical Review of Structural Plans Lot 7, Proposed Ivory at Paradise Knolls Development" dated February 2, 2024; "Geotechnical Update – 2022 CBC Seismic Design Parameters Proposed Paradise Knolls, PA-2 Residential Development" dated April 4, 2023; and "Supplemental Geotechnical Investigation, Proposed Paradise Knolls, PA-2 Residential Development" dated July 22, 2022 all prepared by Leighton and Associates, Inc.

It is assumed all recommendations contained in any and all reports were adhered to during development and construction. It is an assumption of this report that the soils are adequate to support the highest and best use.

Environmental Review: We have not reviewed any Environmental reports for the subject.

It is an assumption of this appraisal report that there are no environmental issues which would thwart or slow development of the subject property or create any adverse reactions to the houses. This is evidenced by City inspectors on-site throughout construction.

Cal Fire Hazard Severity Zone: Per the CalFire Hazard Severity Zone map, the subject property is within an incorporated City and is not within a recommended high fire severity zone.

Easements and Encumbrances: We have reviewed a Preliminary Title Report prepared by First American Title Company for Tract Map 38257 (Ivory), dated February 11, 2026 (Order Number NHSC-6951602). The exceptions are as follows:

Item Nos. 1 through 7 pertain to property taxes and special assessments recorded on the site including CFD No. 2016-1 (JARPD maintenance CFD), CFD No. 2019-001 (City Maintenance CFD), CFD 2021-001 (City public safety CFD) and CFD No. 58 (subject CFD). Item No. 8 pertains to a right of way for Jurupa Land and Water Company. Item No. 9 states the property is within the Santa Ana Watershed Benefit Assessment Area. Item No. 10 states the property is within the boundaries of the Jurupa Valley Redevelopment Project Area. Item No. 11 pertains to a development agreement. Item Nos. 12 and 16 refer to abutter's rights of ingress and egress to or from Limonite Avenue except as shown on map. Item No. 13 refers to a construction easement. Item No. 14 is in regard to the Water Quality Management Plan. Item No. 15 is in regard to the private road easements as shown on said map. Item No. 17, 18, 19, 21, 30 through 35, 39-41, 44-45, 48-49, 52-53, 56-57, 59 and 63-65 refer to easements which appear typical for subject type lands. Item Nos. 20, 28 and 29 pertain to CC & Rs recorded on the property. Item No. 22 is in regard to the master declaration for binding dispute resolution for Sterling and Ivory. Item Nos. 23-27, 36-38, 42-43, 46-47, 50-51, 54-55, 58, and 60-62. refer to condominium plan phases which were recorded. Item No. 66 refers to water rights.

The items appear typical for subject-type land; however, the appraiser is not an expert on title and if questions arise, it is suggested an expert be retained. It is an assumption of this appraisal report that the subject lands are free and clear of any liens and/or encumbrances other than JCSD CFD No. 58 and the existing services district CFDs.

Streets/Access: Access to the subject project is convenient via I-15 to the Limonite Avenue, 3.1 miles west on Limonite Avenue to Beach Street. The subject is on the south side of Limonite Avenue, along both sides of Beach (Ivory is on the southwest corner, while Sterling is south of the

southeast corner). Access is also possible from the 60 Freeway, exit Van Buren Boulevard and head southeast for four miles to Limonite Avenue. Ivory features two entrances (one from Beach Street, and one from Rancho Jurupa Drive), while Sterling is only accessible from Persano Street off Rancho Jurupa Drive.

I-15 (3.1 miles west of the subject) is a major north/south freeway. I-15 provides international access both to Mexico to the south and Canada to the north.

SR-60 (3.1 miles north of the subject) provides east/west access from downtown Los Angeles to the city of Beaumont.

Limonite Avenue (adjacent north of subject) provides the main access to the subject and is a major east/west arterial through Jurupa Valley as well as neighboring Eastvale and Riverside. Limonite begins at Archibald Avenue in Eastvale, approximately 5.6 miles west of the subject and crosses under I-15 where it provides access and has on/off ramps. It starts to turn northeast after the subject and merges with Riverview Drive where it becomes Riverview Drive at the Veterans Memorial Park, approximately 4.4 miles northeast of the subject.

Beach Street (adjacent to subject) is a small north/south arterial running through Jurupa Valley. It begins 1.4 miles north of the subject at Jurupa Road, and terminates at the subject at Rancho Jurupa Drive.

Van Buren Boulevard (one mile east of subject) is a major arterial running in a northwesterly/southeasterly direction. It is known as Mission Boulevard on the north side of the 60 Freeway, and Van Buren on the south side. It runs through Jurupa Valley and into Riverside, where it crosses the 91 Freeway and eventually turns east where it terminates at the I-215 near the March Air Reserve Base. Van Buren has on/off ramps at the 60 Freeway, the 91 Freeway, and I-215.

Internal streets within Ivory include: Perlino Way, Banker Lane, and Cross Bay Loop while internal streets within Sterling include Persano Street and New First Lane.

Current Condition: Sterling: The subject property has been developed into 35 detached condos situated in motorcourts on lots sized approximately 2,000 square feet. The project is sold out and closed out, with all homes complete and owned by individuals.

Ivory: The subject property is being developed into 118 two-story row townhomes arranged in buildings from 4-plexes to 6-plexes. There are 63 completed homes owned by individuals, four model homes owned by the builder, 15 homes over 95% complete, owned by the builder (4 in escrow), 26 homes that are under construction (none in escrow) and 10 finished pads (none in escrow).

Homeowner Association:

Sterling: Per Century Community representatives, the HOA fees at Sterling are reported as $134 per month for common areas, parkways, streets and landscaping.

Ivory: The HOA fees at Ivory are reported as $310 per month. This fee includes maintenance of common areas, parkways, streets, landscaping as well as a dog area, playground and an exercise station and a community pool which is under construction within Ivory.

Costs to Complete: Per Century Community representatives, there are $2,513,516 in remaining land development costs (excluding carry costs) and $90,211 ($287,549 less $197,338) in remaining land development fees for a total of $2,603,727 in remaining land development costs and fees. The builder is responsible for these remaining costs. Out of the total 153 units, 98 have been closed to individuals leaving 55 units/pads owned by the builder. Spreading the $2,603,727 over the 55 units/pads equates to $47,340.49 per lot in remaining costs.

Improvement Description: Sterling and Ivory at Paradise Knolls include a total of 153 homes being built and sold by Century Communities. Sterling includes 35 detached condos situated on lots containing approximately 2,000 square feet, and is sold out and closed out. Ivory includes two story row townhomes arranged in 4 to 6-plexes and is currently selling with models open. Sterling includes four floorplans ranging in size from 1,623 to 1,958 square feet, while Ivory also offers four floorplans but ranging in size from 1,148 to 1,554 square feet. Both product lines offer two stories with direct access two car garages. Sterling offers three to four bedrooms, while Ivory offers two to three bedrooms. All exteriors include coach lights at the garage, concrete roof tiles with architectural shingles and front yard landscaping. Interiors include nine-foot ceilings, LVP flooring, 2-panel interior doors and 3.5-inch baseboards. Kitchens include white cabinets, quartz countertops, kitchen islands and stainless-steel LG appliance packages. Quality energy features include digital and wi-fi thermostats, central HVAC, LED lighting throughout and tanked water heaters and have Century Home Connect features. All homes appear to be in excellent condition with no visible depreciation.

We have reviewed sales information from the builder which included 35 closings at Sterling between December 27, 2024 and October 31, 2025. Ivory's sales information showed 63 home closings between June 26, 2025, and September 1, 2026, along with an additional four escrows which are due to close in the near future. Actual closed sales prices as reported by the builder net of all reported concessions range from $556,870 to $637,271 at Sterling, and $423,229 to $543,271 at Ivory. Per our review of the local Multiple Listing Service along with our inspection, there are no homes currently listed for resale and one closed resale home which will be discussed under the valuation section. Original base pricing at grand opening in the fall of 2024 ranged from $574,990 to $629,990 at Sterling and $479,990 to $539,990 at Ivory. Final base pricing prior to sellout at Sterling ranged from $592,990 to $639,990 representing an increase of 1.6 to 3.1 percent depending on the plan. Current base pricing at Ivory ranges from $496,990 to $558,990 representing an increase from 3.5 to 7.3 percent per plan. The houses are detailed below.

Plan	Bd/Ba	Floors/ Parking	SF	Ind. Owned	Bldr. Owned
Sterling					
1	3 / 2.5	2 / 2	1,623	11	0
2	3 / 2.5	2 / 2	1,884	12	0
3	4 / 2.5	2 / 2	1,958	10	0
3X	4 / 2.5	2 / 2	1,684	2	0
***Sterling Subtotal*:**				***35***	***0***
Ivory					
1	2 / 2.5	2 / 2	1,148	14	6*
2	3 / 2.5	2 / 2	1,395	15	5*
3	3 / 2.5	2 / 2	1,490	17	3*
4	3 / 2.5	2 / 2	1,554	17	5*
Ivory Subtotal:				***63***	***19***
CFD 58 Total:				**98**	**19**

*One of each of these plans is a model home. In addition to the above builder-owned homes in Ivory, there are 26 homes under construction and 10 remaining generally finished pads.

RIVERSIDE COUNTY HOUSING MARKET

In analyzing the County's housing market, population growth and economic conditions need to first be considered.

Population

The County has experienced population growth for several decades and is anticipated to continue to do so in the foreseeable future. Per the California Department of Finance, the population as of January 1, 2026, was 2.507 million, representing a one-year increase of 0.4 percent. This compares to an average annual growth rate over the previous four years of about 0.7 percent, and an average annual growth rate of approximately 2.3 percent for the previous twenty-year period. It should be noted however, that California's overall population decreased between 2020 and 2022 (during COVID) with the current population still not back up to the peak of 2020. Current State projections for Riverside County suggest the population is expected to reach approximately 2.533 million by 2030, indicating an average annual increase of approximately 0.3 percent over the next five years. It should be noted that the forecasted population for 2030 was recently reduced from an estimated 0.7 percent annual growth rate to 0.3 percent in the past year.

Economic Conditions

Over the past twenty-five years the Inland Empire has seen various cycles in the housing market. The Great Recession impacted the Inland Empire significantly and resulted in a longer recovery period than that of other Southern California regions. The rise and then fall of housing prices in the Inland Empire between 2004 and 2009 were considerably steeper than almost anywhere in the State. Unfortunately, this meant that the people who bought near the peak of the market likely faced significant negative equity. After essentially remaining flat for a few years, housing prices began to increase in late 2012 through January 2020. Once the COVID pandemic hit in March 2020, the economy entered what is now known as the COVID disruption. The housing market slowed down significantly early on, but by May 2020, new homes were going under contract and selling at well above average absorption rates from May 2020 through spring of 2022 in the region. Beginning in mid-2022, the new home market saw a slowdown in absorption rates

due to the increasing interest rates, the high prices of homes, and the high rate of inflation which was shaking consumer confidence. As interest rates and home prices remain elevated, sale absorption rates for 2025 continued to perform slightly lower than average with 2026 seeing even slower sales thus far. The average absorption rate for the Inland Empire from 2020 – 2024 was 3.7 sales per month per project while the absorption rate for 2025 dropped to 3.0 sales per project per month. Thus far in 2026, the average absorption rate in the Inland Empire is 2.8 home sales per month per project. (Ryness Report dated August 23, 2026).

Economic growth in the Inland Empire was strong generally between 2015 (after the Great Recession), and until the economic shutdown due to COVID. The second half of 2020 and all of 2021 saw economic growth, however the first two quarters of 2022 saw GDP shrinking as interest rates rose and consumer confidence slowed. The most recent unemployment rate for the MSA is 5.7 percent (per the July 2026 EDD report most recent) which is higher than the previous month (5.3 percent) and below the July 2025 year ago estimate of 6.1 percent. While unemployment rates are still near historical lows, the inflation factor has significantly affected the economy.

The housing market played a large role in the past two recessions. In the Great Recession, due to increased interest rates and rising home prices between June 2004 and mid-2006, the market reaction was to create non-conventional financing alternatives, such as sub-prime mortgages, to artificially maintain the boom housing market of 2004 and 2005. By 2007, the housing market saw a shake-up because of the problems in the sub-prime and non-conventional mortgage markets, which played a role in the 2008 upheaval of Wall Street and contributed significantly to the U.S. economic downturn of the Great Recession. Due to stricter income verification on new loans and the lack of available credit, coupled with job losses and declining home prices, sales of new homes slowed for the next few years and essentially remained flat until mid-2012 when home prices began a steady climb.

During the COVID disruption, new home sales were one of the brightest spots in both the local and national economies. While new home sales slowed in March and April 2020 due

to the onset of the COVID pandemic, both sales and prices increased significantly due to strong demand from May 2020 throughout COVID until spring 2022 when interest rate increases began affecting the home-buying market. A combination of increasing home prices and falling consumer confidence, added to the significant interest rate increases, slowed new home sales significantly beginning in mid-2022. Due to the significantly higher mortgage interest rates, existing homeowners were not moving which stifled the existing home market, making the new home market the only option for some. Both new homes and existing home sales have slowed considerably from mid-2022 to now. In January 2022, mortgage rates were 3.22 percent (for a typical 30-year fixed conventional mortgage) while as of August 20, 2026, the rate for the same loan is 6.65 percent, after hitting a low of 5.98 in February 2026. On a $500,000 mortgage, the current monthly payment for this loan has increased from $2,162 to $3,210 or over 50 percent which has hit homebuyers hard.

Per the Zonda National Economic and Housing Market Update in January 2026, the new home market in 2025 remained essentially flat from 2024. Buyers remained paralyzed by poor affordability and low confidence. With affordability declining, sales struggled to gain traction. This forced builders to lean heavily on aggressive price cuts or financing incentives to maintain sales momentum, move standing inventory and sell future homesites. The year 2026 began with lower rates, however the war increased inflation with rates rising once again beginning in March. Builders have remained disciplined with supply which has helped prevent the types of surpluses we've seen in the past cycles. On a more micro level in the Inland Empire Zonda believes affordability is the main driver of slow sales with current home prices 22 percent above the income supported prices (based on both new and existing sales). This has led to further slowing of sales, significant incentives including rate buy-downs and some builders lowering their pricing.

The public homebuilders began offering significant interest rate buy-downs in early 2023 in order to keep absorption rates steady, which reportedly cost between $30,000 and $100,000 in incentives. The question is, how long can builders continue to offer these significant incentives. As rates go higher, the extent that builders can buy-down the

mortgage rates goes down. From conversations with active public homebuilders, they fully expect rate buy-downs to be prevalent in the new home buying process until rates come down to the mid-five percent to six percent range. Although rate buydowns are setting new home communities apart from the resale market, it is very costly to the builders to absorb which is greatly affecting their profitability.

Home loan mortgage rates have been and are still playing a huge part in the housing market. The Board held mortgage rates at all-time lows after the Great Recession and again after the COVID Recession in an attempt to assist the housing market's recovery. Low rates helped home sales during this time. However, first-time buyers are now having a hard time entering the housing market due to rising prices and rising interest rates. Mortgage applications had been spiking in late 2020 and 2021 due to the low rates and the fear rates were going to start ticking up, which began happening in March 2022. The Board increased the rate eleven times between March 2022 and August 2023, which increased the FFR from 0-0.25 percent to 5.25-5.50 percent. The Board kept rates steady from September 2023 until September 2024 with three decreases in late 2024 and three decreases in late 2025 bringing the FFR to 3.5 – 3.75 percent. In September 2026 the Board increased rates 0.25 percent in an effort to slow inflation which has increased due to higher oil prices reflective of the Iran War.

Fuel prices have increased about 40 percent nationwide over the past six months due to the conflict in Iran. This increase in fuel prices is anticipated to hit the U.S. hard with increases needed in consumer pricing due to transportation costs. However, the increase in gas prices may also have a significant effect on the Inland Empire commuters. During the COVID disruption, many workers moved further out from work areas due to the work from home factor. Over the past two years, many businesses have required workers to come back into the office. The higher gas prices will affect Inland Empire commuters.

Residential Land Development

While there had been little land development going on in most of the Inland Empire during the Great Recession years 2008-2011, the second half of 2012 saw a resurgence in the more coveted areas of the Inland Empire. The increase in housing prices since 2012

combined with the limited availability of supply made land development feasible once again for homebuilders. It is thought that the increase in regulations, which has significantly increased the timeline for processing entitlements, has limited the master developers' further entitlement of developable land in California. While prior to the recession it was not unusual to see numerous large master-planned communities selling lots to various builders, there are few currently available in the subject area such as Eastvale Square (Eastvale), Emerald Ridge (Jurupa Valley), and Parkview (Fontana). The majority of land sales over the past few years include single tracts of land with maps ready to record (such as the subject) or a public builder purchasing a larger piece of land but developing the land for its own use. The lack of master-planned communities delivering finished lots to home builders has greatly decreased the new home supply in the Inland Empire and is not expected to change in the near future.

Land sales in the Inland Empire slowly grew from 2012 up to a peak in 2017, with 2018 and 2019 showing lower land transactions. Once home sales exploded in May 2020, land sales followed with a significant number of residential land sales to builders in the Inland Empire during the second half of 2020 and throughout 2021. In late 2021 and the beginning of 2022, prior to the FFR increases, builders were paying significantly more for residential land that was ready to develop as demand was strong and supply was shrinking. The beginning of 2022 continued with strong residential land sales until May when land sales began to fall sharply due to slowing new home sales. Land sales in the Inland Empire bounced back in 2024, were down about 50 percent in 2025 and thus far in 2026 are continuing to be slow. There have been 20 residential land sales to builders in the Inland Empire thus far in 2026 with ten occurring prior to May representing six homebuilders, however since May, Lennar was the only buyer of the additional ten sales. Brokers familiar with the residential land market in the Inland Empire believe that the pipelines of the land held by builders other than Lennar has been drying up and that they will be back in the market in the next 12 months or so.

New Home Sales and Pricing

We have researched new single-family homes within the subject market in order to reflect residential trends. It should be noted these sales numbers and prices pertain to new home

sales while later in this section we discuss existing home sales. In reviewing new home sales in the Inland Empire market area, per the August 30, 2026, Ryness Report, the year-to-date average sales rate (2.8 sales per month) is slightly below the same time period of the previous year (3.2 sales per month) with previous year averages of 4.0 sales per month per project for 2024, 3.9 sales per month average for 2023, 4.0 sales per month average for 2022 and 4.8 sales per month per project in 2021. There are many reasons impacting the slowing new home sales but one of the main reasons is the affordability issue. According to Zonda, the new home affordability ratio is at its 10-year low. The key factors that contributed to the affordability problem are increased mortgage rates, stagnant job and wage growth, inflation, tariffs and increasing insurance costs. Surprisingly, even with the high pricing and mortgage rates, sales of new homes are still occurring, however at a slower rate than in the last few years. This is partially due to the extremely limited supply of existing homes on the market which is creating more demand for new homes.

When comparing the August 30, 2026, Inland Empire Ryness Report to one year prior, there are nine additional projects (241 in August 2026 and 232 in August 2025) and sales are down with the monthly average year to date at 2.8 sales per month per project in the overall Inland Empire. New single-family home pricing (combines both attached and detached) in the Inland Empire has also seen changes. The median new home price in the Inland Empire changed from the peak value of $437,200 in the third quarter of 2006 to $268,155 in early 2009 (decrease of 39 percent) while the current Inland Empire median new home price is $610,480, down 0.2 percent from one year ago. In addition to decreasing prices, builders are offering significant incentives, some which don’t show up in the sales price. New home sale prices fluctuate based on the land value and competition more than on the cost of building the home. While finishes and sizes of homes can change, the basic costs on a per square foot basis typically do not fluctuate as much as land values; however, there have been inflationary increases in construction costs adding to this increase. Construction materials have increased over 50 percent since 2019. The subject communities are utilizing incentives and concessions to close homes.

When comparing the August 30, 2026, Inland Empire Ryness Report to one year prior, there are nine additional projects but sales are about twelve percent lower year-to-date than the previous year at 2.8 sales per month. Looking back, in 2021 the average sales rate was 4.8 homes per month, in 2020 the average sales rate was 4.4 homes per month while in 2019, prior to COVID, the average sales rate was 3.3 homes per month per project.

New single-family home pricing (combines both attached and detached) in the Inland Empire has also seen changes. The median new home price in the Inland Empire changed from the peak value of $437,200 in the third quarter of 2006 to $268,155 in early 2009 (decrease of 39 percent) while the current Inland Empire median new home price is $610,480, down 0.2 percent from one year ago. In addition to decreasing prices, builders are offering significant incentives, some which don't show up in the sales price. New home sale prices fluctuate based on the land value and competition more than on the cost of building the home. While finishes and sizes of homes can change, the basic costs on a per square foot basis typically do not fluctuate as much as land values; however, there have been inflationary increases in construction costs adding to this increase. Construction materials have increased over 50 percent since 2019. The subject communities are utilizing incentives and concessions to close homes.

Within our search for the most comparable actively selling new home communities, we searched the subject's area of Jurupa Valley, as well as neighboring Eastvale, Riverside and Fontana. There were only six (including the subject) projects currently selling in the subject's Jurupa Valley, but some on larger lots or larger homes that weren't comparable with the subject. Neighboring Eastvale, Riverside and Fontana feature a multitude of currently selling new home projects. We limited our search to projects that were closest to the subject with similar home size offerings, and with similar product types. Our search for comparable new home projects with these criteria that were within the competitive market area resulted in eight detached new home projects comparable with Sterling, with pricing ranging from $559,990 to $749,990, and eight attached new home projects including the subject, with overall advertised pricing ranging from $359,990 to $658,990.

The subject's most recent base pricing ranges from $592,990 to $639,990 for Sterling and $496,990 to $558,990 for Ivory, both within the range of the competition.

Existing Homes Sales and Pricing

While the previous section looked at new home sales and pricing, this section refers to existing homes in the Inland Empire. According to the California Association of Realtors' ("CAR") most recent data, within overall Southern California, the median price paid for an existing single-family home in July 2026 ($899,000) is 0.1 percent lower than the month prior median home price ($900,000), and up 2.7 percent year-over-year from $875,030 in July 2025. These overall Southern California numbers compare to Riverside County with $649,000 as the median price paid for an existing home in the County in July 2026, up 2.2 percent from the previous month ($635,000), and up 3.0 percent on a year-over-year basis ($630,000). Below is a table showing the sales and prices for the Southern California area by County per CAR.

Southern California Existing Home Sales

County	July 2026	June 2026	July 2025	Price MTM % Change	Price YTY % Change	Sales YTY % Change
Los Angeles	$888,120	$910,370	$911,360	-2.4%	-2.6%	-0.9%
Orange	$1,475,000	$1,490,000	$1,400,000	-1.0%	5.4%	0.6%
Riverside	$649,000	$635,000	$630,000	2.2%	3.0%	-2.6%
San Bernardino	$488,280	$508,080	$486,290	-3.9%	0.4%	4.5%
San Diego	$1,099,500	$1,085,000	$1,040,000	-1.3%	5.7%	4.5%
Ventura	$950,000	$937,500	$949,500	1.3%	0.1%	-0.3%
Southern Calif.	$899,000	$900,000	$875,030	-0.1%	2.7%	0.1%

Source: California Association of Realtors

Based on July 2026, median existing homes prices, in comparison to the majority of the surrounding counties, Riverside County has a definite price advantage. The "Riverside County Advantage" (price difference between Riverside and surrounding counties) is $239,120 as compared to Los Angeles County, $301,000 as compared to Ventura County, $450,500 as compared to San Diego County and $826,000 as compared to Orange County. That is, in July 2026, the median priced home in Riverside County was $826,000 less (or over 50 percent less) than the median priced home in Orange County ($1,475,000). However, San Bernardino County has a $160,720 price advantage over Riverside County. Typically, as the price advantage widens, homebuyers are more open

to commuting to further out areas. With the work-from-home concept, the suburban areas saw more growth which put pressure on home prices in the Inland Empire. However, the significant increase in fuel prices may begin to affect commuters' budgets. It is still too early to tell what affect it may have on the housing prices in the Inland Empire.

In a separate attempt to capture the neighborhood specific price changes, the resale activity of existing homes in the subject area (per Redfin.com's Housing Market Trends) has been reviewed. The number of sales and sale prices of existing homes within market areas in the immediate area of the subject are shown in the table below.

ZIP Code/Community Name	Border To Subject	# of Sales July 2026	July 2026 Median Price	July 2026 Median Price/SF	Price % Change from July 2025
92509 (Jurupa Valley)	Subject	128	$643,000	$383	+1.2%
92337 (South Fontana)	North	55	$600,000	$357	-0.02%
92316 (Bloomington)	Northeast	28	$595,000	$471	+3.0%
91752 (Mira Loma)	West	45	$880,000	$328	+4.1%
92501 (Riverside – Downtown/Northside)	East	25	$547,000	$438	-6.4%
92505 (Riverside – La Sierra)	South	64	$675,000	$407	+1.1%
92860 (Norco)	Southwest	46	$955,000	$447	+1.6%
92503 (Riverside – Arlington/Lake Matthews)	Southeast	164	$642,000	$352	-0.72%
92504 (Riverside – Ramona/Woodcrest)	Southeast	94	$655,000	$388	+0.7%

Source: Redfin.com Housing Market Trends July 2026

The median home price of a resale home in the subject's zip code is $643,000, which is within the range of the resale detached home prices in the subject area. The surrounding areas of Bloomington and downtown Riverside zip codes represent the lowest median prices, but also the older and more built out areas, which typically have smaller homes. The highest median prices in the surrounding area are the Norco and Mira Loma zip codes, which are widely known as some of the more coveted areas of the Inland Empire. The above price fluctuations from year-to-year relate to the California Association of Realtors overall Riverside County detached home resale price change of 3.0 percent year-over-year from July 2025 to July 2026.

Sterling and Ivory - Sales and Pricing

The subject property consists of JCSD CFD No. 58 which includes 153 homes being marketed as Sterling and Ivory at Paradise Knolls by Century Communities. Both communities opened in the Fall of 2024 (Sterling in October and Ivory in November) with the first homes selling on October 15, 2024, at Sterling and March 8, 2025, at Ivory. Sterling sold out in October of 2025, with an average sales rate of 2.9 sales per month. Ivory is still actively selling and has sold 67 homes with an average sales rate of 3.5 sales per month. The subject's sales rates are considered to be good during this time period. Per the August 30, 2026, Ryness Report which includes 241 projects in the Inland Empire, the average sales rate per project year to date is 2.8 homes per month while the average sales rate for the same period of 2025 was higher at 3.2 homes per month. Within the subject's Northwest Riverside submarket there are 26 projects including six in Jurupa Valley, five in Corona/South Corona, six in Riverside and nine in Eastvale. The six in Jurupa Valley include the subject Ivory along with Lennar's Overlook and Skyline at Emerald Ridge, KB Home's Cantania at Citrine, DR Horton's Serrano Oaks, and Richmond American's Canterra and Seasons at Sagebrush. The average absorption rate within the 26 communities in the Northwest Riverside submarket communities' year to date per the August 30, 2026, Ryness Report is 2.4 sales per month. The subject's sales rates of 2.9 and 3.5 sales per month are higher than the overall average in the area. The subject's average sales rates show that they have been well received in the marketplace.

Within Sterling and Ivory at Paradise Knolls, base pricing on all of the floor plans has increased since grand opening in Fall of 2024 from a minimum of $10,000 to a maximum of $38,000. It should be noted that the base pricing does not include incentives which are given by the builder. The net sales prices reported by the builder include mortgage incentives, and rate buy-downs and help with closing costs. The builder has shared these costs, and they are included in our valuation analysis. The actual total incentives range from a low of $13,922 to a high of $102,687 with an average of $56,871 per home on the closings to date. The portion of these incentives which relate to closing costs and mortgage buy-downs do not show up on the public record, however, are a cost to the builder, thus we have included them in our valuation.

Summary

The Inland Empire has seen a substantial increase in pricing since 2012 with most areas, including the subject area, showing astronomical increases from mid-2020 into 2025, however there have been some decreases in the past year. Due to existing home sales being down when COVID began in spring/early summer 2020, new home sales subsequently shot up due to the existing home market supply being constrained and interest rates hitting all-time lows during COVID. The past four years have seen a slowdown in sales which appears to be due to limited inventory, high home pricing and high interest rates. The Jurupa Valley new-home submarket has seen generally increased incentives along with decreasing sales rates, consistent with the rest of the Inland Empire market. Despite uncertainty hitting the market due to uncertainty in the global economy, interest rates, consumer confidence and inflation, most observers agree that the Inland Empire housing market is healthy, and population growth is still estimated to occur in the area. It is believed that as the population continues to increase, housing growth will also continue, despite a possible economic slowdown.

HIGHEST AND BEST USE ANALYSIS

The highest and best use is a basic concept in real estate valuation due to the fact that it represents the underlying premise (i.e., land use) upon which the estimate of value is based. In this report, the highest and best use is defined as:

> *"the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value"*[4]

Proper application of this analysis requires the subject properties to first be considered "As If Vacant" in order to identify the "ideal" improvements in terms of use, size and timing of development. The existing improvements (if any) are then compared to the "ideal" improvements to determine if the use should be continued, altered or demolished preparatory to redevelopment of the site with a more productive or ideal use.

"As If Vacant"

In the following analysis, we have considered the sites probable uses, or those uses which are physically possible; the legality of use, or those uses which are allowed by zoning or deed restrictions; the financially feasible uses, or those uses which generate a positive return on investment; and the maximally productive uses, or those probable permissible uses which combine to give the owner of the land the highest net return on value in the foreseeable future.

Physically Possible Uses

The subject property consists of two parcels, each generally rectangular in shape with one containing 2.616 net acres and the other containing 7.909 net acres. There is a street separating the two parcels. They are located along both sides of Beach Street, south of Limonite Avenue in the City of Jurupa Valley in northwest Riverside County. The two parcels are just north of the Santa Ana River. Both sites have been graded. The smaller lot was graded into 35 single family detached condominium lots with a minimum lot size of around 2,000 square feet. The larger parcel has been graded into pads for 118 attached

[4] The Appraisal of Real Estate, 11th Edition

units with internal streets providing access to the pads. There is one entrance into the smaller parcel which is off Persano Street which forms the eastern border of the parcel. There are two entrances into the larger parcel, one off Beach Street which forms the eastern border and one off of Rancho Jurupa Drive which forms the southern border of the parcel. The surrounding lands are generally flat, but slope down south of the site to the Santa Ana River. The smaller parcel has a commercial designated vacant site immediately to the north which fronts Limonite Avenue, existing residential lands to the east, vacant lands that slope down to the Santa Ana River to the south and Beach Street, beyond which is the larger parcel to the west.

Soils Reports covering the property were reviewed and it was determined there are no geological issues which would hinder the development of the site. No environmental report was available for review. It is an assumption of this report that both the soils and environmental factors are adequate to support the highest and best use conclusion and that there are no soils or environmental issues which would slow or thwart development of the site. This is evidenced by City approvals along with City inspectors on site during construction of existing homes. It appears an in-street engineered drainage system has been designed to alleviate any potential flooding problems and to control project water runoff. All standard utilities serve the subject property. All internal streets have been paved, and utilities have been brought to each pad within each parcel. The overall site has good access via the I-15 and is about three miles from the Freeway.

Based on the physical analysis, the size, access, and topography make the subject property physically suited for numerous types of development; however, the grading and development that has occurred on the site suggest residential use.

Legality of Use

The subject property is located within the City of Jurupa Valley, the entity responsible for land use and zoning regulation. Per the City's Zoning Map, the site is identified as SP for Specific Plan. The Paradise Knolls Specific Plan No. 1402 designates the subject as Planning Area 2 with a land use of Highest Density Residential (20+ dwelling units per acre) with a target density of up to 300 dwelling units. In addition, Tract Map Nos. 38257

and 38258 were recorded on the two parcels. Tract Map 38258 allows for 35 detached condo lots while Tract Map 38257 allows for 118 townhomes. The approved mapping on the parcel is consistent with the current zoning. Based on the legality of use analysis, the type of development for which the subject properties can be utilized is narrowed to residential use. This is consistent with the findings of the physically possible uses.

Feasibility of Development

The third and fourth considerations in the highest and best use analysis are economic in nature, i.e., the use that can be expected to be most profitable. As discussed under the Riverside County Housing Market section earlier within this report, the market had shown strong increases in both sales and pricing since COVID until late 2022 when high home prices and increasing interest rates began to slow sales. Overall home sales have slowed down significantly, partially due to existing homeowners not moving due to the higher interest rates, which is stifling the existing home market, at times leaving new homes the only option for homebuyers. Within Sterling at Paradise Knolls (smaller parcel), all 35 of the homes have been sold and closed. The first sale occurred in mid-October 2024, and the final sale occurred in the beginning of October 2025, suggesting an overall average sales rate of 2.9 sales per month which is considered to be average to good. Within Ivory at Paradise Knolls (larger parcel), 67 of the total 118 homes have sold to date with the first sale occurring March 2025, and the latest sale occurring in September 2026, suggesting an overall average sales rate of 3.5 sales per month which is considered to be good. All structures appear to be in excellent condition with no physical depreciation apparent. Within the new home market in Jurupa Valley and the surrounding area, we found eight projects (including the subject) to be most comparable to the subject property. Population growth is still occurring in the area and will continue to create the need for housing. Based on the above analysis, the highest and best use for the subject property appears to be for single-family detached residential development at the correct price points.

Maximum Productivity

Based on the market activity of residential lands in the immediate area, we have concluded there is a need/demand for residential lands.

Highest and Best Use Conclusion – "As If Vacant"

The final determinant of highest and best use, as vacant, is the interaction of the previously discussed factors (i.e., physical, legal, financial feasibility and maximum productivity considerations). Based upon the foregoing analysis, it is our opinion that the highest and best use for the subject property "As if Vacant" is for residential development.

Highest and Best Use – "As Improved"

The subject property consists of two communities known as Sterling (sold out) and Ivory at Paradise Knolls. Sterling began sales in October 2024 and sold out in October 2025 while Ivory began sales in March 2025 with 67 of the 118 homes sold to date. Sterling had an average sales rate of 2.9 homes per month while thus far, Ivory has had an average sales rate of 3.5 homes per month. Per the Ryness Report dated August 30, 2026, there are 26 actively marketing new home communities in the subject's submarket with absorption rates ranging from 1.0 sale per month to 5.3 sales per month with an average sales rate year to date per project of 2.3 sales per month. The subject communities sales rates are both higher than the average of the 26 projects within its submarket with sales rates of 2.9 (Sterling) and 3.5 (Ivory) homes per month. It appears that Sterling and Ivory have been well received and are selling at or near the correct price points for the area. Our search within the subject area found seven detached communities considered to be most comparable to Sterling and seven attached communities (including Ivory) to be most comparable to Ivory. The sales rates within these projects ranged from 0.9 to 6.1 sales per month. Both Sterling and Ivory were within the overall range and are selling better than the average absorption rate in the subject's sub-market. The pricing appears to be near or at market as the sales are consistent.

The sales rate within the subject and the competitive projects in the immediate area suggest there is demand for new homes in the current market at the right price points. All of the homes are of good design and appear to be of good quality workmanship. Based on Sterling and Ivory's sales rates, it is our conclusion that the highest and best use for the subject property is for the continued use, as improved.

VALUATION ANALYSES AND CONCLUSIONS

The Sales Comparison Approach will be used to value the subject property. This approach compares similar properties that have recently sold or are in escrow. In determining the value for the subject lands, a unit of comparison needs to be addressed. For single-family detached condominium lots and attached townhomes, the lands are typically sold on the basis of a finished pad/lot per unit. That is, the sales price is determined by a finished pad or lot value and then the remaining costs to develop the property to a true finished condition are taken into account in the sales price. Therefore, in determining a current market value for the Ivory lands, the current condition of the pads will be considered. Our search revealed several transactions similar to the subject property in that they include either single-family detached cluster or attached product with the different densities typically driving the prices. At times, the detached condominium and attached transactions are typically looked at on a blended price per unit, taking into consideration the overall density of the neighborhood. The Ivory pads have a density of 14.9 dwelling units per acre. Sterling has sold and closed out, thus there is no land remaining to be valued within Sterling.

In the case of the completed home valuations, a single new home is the unit of comparison. Our search will include all new home projects within the subject's immediate and surrounding market area to find comparable new homes for sale. In determining the value for each house, a base value will be concluded for each plan which will be considered a minimum market value as most buyers typically purchase some premiums, upgrades or options which increase the price of the home. The minimum market value also includes all concessions given by the builder including mortgage closing costs and buy-downs (which are not included in the reported sales prices), if applicable. We will look at small lot detached communities when valuing Sterling homes and at attached townhome communities when valuing Ivory.

For the completed (over 95 percent complete) builder-owned models and production houses within Ivory, the homes will be valued using the Sales Comparison Approach to conclude on a retail value for each plan, followed by a Discounted Cash Flow ("DCF")

Analysis due to the single ownership. The DCF will take into account the fair market value of the completed homes (utilizing the Sales Comparison Approach), remaining development costs (if any), the marketing and carrying costs associated with selling off the homes, a profit due to the developer of the homes, and a discount rate reflecting both the risk associated with selling off the homes along with the time value of money during the estimated absorption period. A home under construction (under 95 percent complete) will be valued as a finished pad rather than attribute value to a partially complete improvement. In the case of individually owned homes, the concluded minimum market value will be used for each plan and a mass appraisal technique will be addressed. In determining the concluded base value, new home sales in the area will be reviewed and compared with sales of the subject completed homes using standard methodology and statistical testing. All of the value conclusions will take into consideration improvements and/or benefits to be funded by the JCSD CFD No. 58 Special Tax Bonds and their lien. A summary of the final value conclusions will be reported at the end of this valuation section.

Market Data Discussion – Residential Lots

Within Ivory there are 118 attached townhome pads in a generally physically finished condition with 82 being developed with homes either complete or over 95 percent complete. The completed homes will be valued later in this report. Deducting the 82 developed homes from the 118 total pads leaves 36 pads to be valued in this section. Twenty-six of the pads have homes under construction (under 95 percent complete), however for purposes of this analysis, we will value a house under construction as a finished pad rather than attribute value to a partially complete improvement.

We have searched the area and found the six transactions summarized in the Addenda to be most comparable to the subject property. The sales are reported both on a purchase price basis and on a finished lot/pad basis. The actual purchase price is typically less, depending on the condition of the land (lots or pads) at the time the property was acquired. Although some sales refer to “finished lots/pads,” these are typically physically finished lots/pads with some fees remaining to be paid to be considered true finished lots/pads.

Below are the details of each of the comparable land sales along with a discussion of each transaction in relationship to the subject property.

Land Sale No. 1 pertains to the most recent closed transaction in our search. The site is located about two miles west of the subject property along the south side of Limonite Avenue, just east of the I-15. Lennar purchased the site which is mapped for 232 units with an overall density of around 8 dwelling units per acre. The product includes 4,000 sf detached lots, detached cluster lots and attached townhomes. Lennar purchased the site in August 2026 from Diversified Pacific for $20,164,500 or for $86,916 per unit based on a reported blended finished lot/pad price of $257,000. The site closed in an unimproved condition with an approved tentative tract map and a final map in process. In comparison to the subject property, this transaction is considered to be superior as the 8.0 dwelling units per acre is a significantly lower overall density than the subject property with about 15 dwelling units per acre. However, the condition of these lands is considered to be inferior to the subject's finished pads, that is, while the development costs are taken into consideration in the finished lot/pad price, the risk associated with the development of the lands is not. In other factors including location and amenities, this transaction is considered to be similar to the subject property.

Land Sale No. 2 refers to the February 2026 sale of a parcel located in the Highgrove area of Riverside, about 12 miles northeast of the subject property. Lennar is planning to build 223 attached townhomes with an overall density of 18 dwelling units per acre. The site is adjacent to the successful Lennar at Highgrove Town Center townhome project. Lennar purchased the site from Foremost Pacific in an unimproved condition with an approved final map for $21,185,000 or $95,000 per unit based on an estimated finished lot price of $180,000. This transaction is considered to be slightly inferior to the subject property as it has a slightly higher density and it closed in an unimproved condition. While the costs of development are taken into consideration, the risk associated with the development is not.

Land Sale No. 3 pertains to another Lennar purchase of 677 units which are located at the southeast corner of Bellegrave Avenue and Interstate 15 in Jurupa Valley about three

miles northwest of the subject property. Lennar purchased the site from the Vernola Family Trust as a continuation of their Lennar at The Farm neighborhood along the east side of I-15 north of Limonite Avenue and south of Bellegrave Avenue. The site sold for $96,100,000 or $141,950 per unit based on a reported blended finished lot price/unit of $280,000. The property closed in an unimproved condition with an approved final map, however the southern portion of the site was previously purchased and Lennar is now selling homes. which is entitled for 677 dwelling units made up of eight product lines ranging from attached townhomes to 5,000 square foot detached lots with pricing generally from $350,000 to $900,000. In comparison to the subject property the overall density of 9 dwelling units per acre is considered to be superior to the subject, while the condition of the lands and the number of lots is considered to be inferior. That is, for a builder to purchase over 500 units in a single purchase, they would typically want a bulk value discount due to the time it will take to sell off the homes.

Land Sale No. 4 pertains to Richmond Amverican's purchase of 67 small detached lots in July 2025 from Warmington Residential. The lots are located at the southwest corner of Jurupa Road and Camino Real in Jurupa Valley, about 3.5 miles northeast of the subject site. Richmond American purchased the lands for $10,407,000 or $155,328 per unit based on a reported finished lot price of $275,000. The lands closed with an approved tentative tract map and in an unimproved condition. Richmond American is planning their Canterra community on the site with no pricing at this time. The homes will be detached on lots with a minimum size of 2,800 square feet with an overall density of ten dwelling units per acre. In comparison to the subject property this site is significantly superior due to the density, however the condition (unimproved at time of sale) is considered to be inferior.

Land Sale No. 5 refers to the D.R. Horton purchase of a site at the northeast corner of Linares Avenue and Clay Street in Jurupa Valley, about two miles east of the subject site. This location is considered to be similar to the subject site. D.R. Horton purchased the property from Rexco in December 2024 for $4,389,000 or $66,500 per unit based on an estimated finished lot price of $210,000 per brokers familiar with the transaction. The property was entitled for 66 townhomes and closed in an unimproved condition with an

approved final map. D.R. Horton is now selling their Serrano Oaks community with home sizes from 1,500 to 1,600 square feet and pricing generally from $500,000 to $550,000. The overall density of the site is 16 dwelling units per acre which is similar to the subject site.

Land Sale No. 6 refers to the sale of a site approved for 149 townhomes purchased by Century Communities northwest of Van Buren Boulevard and State Route 91 in Riverside, about five miles southeast of the subject property. This site backs up to the 91 Freeway. Century Communities purchased the site from Warmington Residential in October 2024 for $5,325,000 or $35,738 per unit based on a reported finished pad cost of $213,000 per brokers familiar with the property. Century Communities is now selling their gated community of Sagecrest with home sizes from 1,444 to 1,672 square feet and generally pricing from $500,000 to $600,000. While gated, this community does not have a pool/social area, however it does have a proposed tot lot and a dog park. In comparison to the subject property this community does not have a CFD, thus the overall tax rate is closer to 1.2 percent rather than 1.8-1.9 percent which is considered to be superior to the subject site. These lands also have a higher density due to the three story townhomes at 23 dwelling units per acre which is considered to be inferior when compared to the subject site.

The chart below summarizes the considerations used in adjusting the market data to the subject property.

Data No.	Location	Date of Sale	Lot Size / Density	Finished Lot Price	Comparison to Subject
1	Jurupa Valley	8/26	8 du/ac	$257,000 Blended	Superior product (some detached) and density Inferior – Condition
2	Highgrove (Riverside)	2/26	18 du/ac	$180,000	Inferior – Condition Slightly Inferior - Density
3	Jurupa Valley	8/25	9 du/ac	$280,000 Blended	Superior product (some detached) and density Inferior – Condition & No. of Lots
4	Jurupa Valley	7/25	10 du/ac	$275,000	Superior – Product (detached) and density Inferior – Condition
5	Jurupa Valley	12/24	16 du/ac	$210,000	Inferior - Condition
6	Riverside	10/24	23 du/ac	$213,000	Superior – Overall Tax Rate Inferior – Density & Freeway Frontage

All of the market data transactions closed within the past 24 months and refer to sales within either Jurupa Valley or in Riverside. Data Nos. 1, 3 and 4 at the high-end of the finished lot price ($257,000 to $280,000) are considered blended prices as they all have some detached lots included in the transactions which are considered to be superior both in product and in density. The remaining transactions, Data Nos. 2, 5 and 6 refer to attached townhomes only with either similar or higher densities than the subject Ivory which has an overall density in the 15 dwelling units per acre range. These three sales ranged from $180,000 to $213,000 per finished lot. The subject property (both Sterling and Ivory sites) was purchased in March 2022 for $8,939,097 based on a reported blended finished lot price in the $155,000 range. As previously discussed under the Riverside County Housing Market section, the market increased in price since 2022 with a softening over the past year. Data No. 5 is considered to be most similar to the subject in density and location and sold on the basis of a $210,000 finished lot in December 2024. The residential land market has softened since that time. We have concluded that the subject lands within Ivory have a current market finished pad value of $200,000 per unit. The value is calculated as follows:

36 pads x $200,000	$ 7,200,000
Less: $47,340.49 x 36	(1,704,258)
As is Value 36 Ivory Pads	**$ 5,495,742**

Builder-Owned Retail House Valuations

Due to the single ownership of multiple houses by the builder within Ivory, a Discounted Cash Flow ("DCF") analysis is needed in order to arrive at a bulk value for the builder-owned homes. First, a retail base value for each plan within both Sterling and Ivory will be concluded. Next, a DCF will be utilized which will take into consideration the absorption time to sell off the builder-owned houses within Ivory, the costs associated with selling off the homes and any remaining costs owed by the builder. The resulting revenue will be discounted using an appropriate rate to determine the builder-owned bulk value of the homes within Ivory. The DCF analysis will be followed by a reporting of the concluded values for the individually owned homes using the concluded base retail value for each plan with a separate check of the analysis utilizing a mass appraisal technique based on

actual sales prices of the homes within both Ivory and Sterling. In addition, any resales or resale listings of homes within Ivory or Sterling will be considered.

Sterling consists of 35 individually owned homes, all closed to individual homeowners. We will value each plan within Sterling along with each plan within Ivory. Ivory includes 10 lots and 26 homes under construction (which were valued above) along with four model homes and fifteen production homes which are over 95 percent complete and owned by the builder. Four of the builder-owned homes are in escrow and due to close in the near future. This section will address the nineteen homes owned by the builder within Ivory, followed by a valuation for the individually owned homes within both Sterling and Ivory.

Below is a summary of the floor plans within Sterling and Ivory. A listing of the improved residential comparable properties is located in the Addenda of this report with a page of attached communities comparable to Ivory and a page of detached communities which are comparable to Sterling. The improved residential properties are all located within the city of Jurupa Valley along with neighboring Fontana, Riverside and Eastvale. Our search of the subject property and the local Multiple Listing Service (MLS) has resulted in one re-sale property in Sterling and no current re-sale listings.

Plan	Bd/Ba	Floors/ Parking	SF	Ind. Owned	Bldr. Owned
Sterling					
1	3 / 2.5	2 / 2	1,623	11	0
2	3 / 2.5	2 / 2	1,884	12	0
3	4 / 2.5	2 / 2	1,958	10	0
3X	4 / 2.5	2 / 2	1,684	2	0
			Sterling Subtotal:	*35*	*0*
Ivory					
1	2 / 2.5	2 / 2	1,148	14	6*
2	3 / 2.5	2 / 2	1,395	15	5*
3	3 / 2.5	2 / 2	1,490	17	3*
4	3 / 2.5	2 / 2	1,554	17	5*
			Ivory Subtotal:	*63*	*19*
			CFD 58 Total:	**98**	**19**

*One of each of these plans is a model home. In addition to the above builder-owned homes in Ivory, there are 26 homes under construction and 10 remaining generally finished pads.

The most appropriate new home comparable data for Sterling Plan 1 are shown below.

Data	Model	Rm. Ct.	Flrs/Pkg.	Sq. Ft.	Price/SF
1D (Subj.)	1	3 / 2.5	2 / 2	1,623	--
3D	2	5 / 3	2 / 2	2,147	$308.29
4D	2	3 / 2.5	2 / 2	1,578	$388.40
4D	3	3 / 2.5	2 / 2	1,863	$337.57
6D	2	3 / 2.5	2 / 2	1,669	$335.52
7D	1	3 / 2.5	2 / 2	1,791	$317.14
8D	1	3 / 2.5	3 / 2	1,608	$404.22
8D	2	3 / 2.5	3 / 2	1,665	$396.39

All new homes are located within Jurupa Valley, Riverside, Fontana, and Eastvale. We are not using additional plans within Sterling as a comparable as they sold out one year ago. All are of similar quality, design, and appeal. Adjustments were considered (when applicable) for location, stories, lot size, sales concessions, CFD taxes, common area benefits, total square footage, room count, garage space, and other amenities. The comparable new home sales have base prices ranging from $308.29 to $404.22 per square foot with generally the larger sized homes at the low end of the per square foot price range. This is typical due to the economies of scale obtained during construction. The final base asking price for Sterling Plan 1 was $365.37 per square foot. There have been 11 closings of Plan 1 with actual net sales prices from $344.02 to $371.11 per square foot, however, the highest sale refers to a model home with significant upgrades. The second highest sale was at $362.53 per square foot. It should be noted that the reported sales prices include upgrades, premiums, and options along with any concessions given by the builder, while the concluded value relates to a base price for the plan taking into consideration all concessions. It has been concluded that Sterling Plan 1 has a base current market value of $345.00 per square foot. This calculates as follows:

1,623 sf x $345.00 = $559,935

The most appropriate new home comparable data for Sterling Plan 2 are shown on the following page.

Data	Model	Rm. Ct.	Flrs/Pkg.	Sq. Ft.	Price/SF
1D (Subj.)	2	3 / 2.5	2 / 2	1,884	--
2D	1	3 / 2.5	2 / 2	2,005	$299.25
3D	2	5 / 3	2 / 2	2,147	$308.29
4D	3	3 / 2.5	2 / 2	1,863	$337.57
4D	4	3 / 2.5	2 / 2	2,021	$320.09
5D	3	3 / 2.5	2 / 2	2,218	$320.55
6D	2	3 / 2.5	2 / 2	1,877	$309.53
6D	3	4 / 2.5	2 / 2	2,000	$297.50
7D	1	3 / 2.5	2 / 2	1,791	$317.14
8D	2	3 / 2.5	3 / 2	1,665	$396.39
8D	3	4 / 3.5	3 / 2	1,879	$393.82

All new homes are located within Jurupa Valley, Riverside, Fontana, and Eastvale. We are not using additional plans within Sterling as a comparable as they sold out one year ago. All are of similar quality, design, and appeal. Adjustments were considered (when applicable) for location, stories, lot size, sales concessions, CFD taxes, common area benefits, total square footage, room count, garage space, and other amenities. The comparable new home sales have base prices ranging from $297.50 to $396.39 per square foot with generally the smaller sized homes at the high-end of the range and the larger sized homes at the low-end of the per square foot price range. This is typical due to the economies of scale obtained during construction. The final base asking price for Sterling Plan 2 was $331.74 per square foot. There have been 12 closings of Plan 2 with actual net sales prices from $295.58 to $330.78 per square foot. It should be noted that the reported sales prices include upgrades, premiums, and options along with any concessions given by the builder, while the concluded value relates to a base price for the plan taking into consideration all concessions. It has been concluded that Sterling Plan 2 has a base current market value of $310.00 per square foot. These calculate as follows:

1,884 sf x $310.00 = $584,040

The most appropriate new home comparable data for Sterling Plan 3 are shown on the following page.

Data	Model	Rm. Ct.	Flrs/Pkg.	Sq. Ft.	Price/SF
1D (Subj.)	3	4 / 2.5	2 / 2	1,958	--
2D	1	3 / 2.5	2 / 2	2,005	$299.25
3D	2	5 / 3	2 / 2	2,147	$308.29
4D	3	3 / 2.5	2 / 2	1,863	$337.57
4D	4	3 / 2.5	2 / 2	2,021	$320.09
5D	3	3 / 2.5	2 / 2	2,218	$320.55
6D	2	3 / 2.5	2 / 2	1,877	$309.53
6D	3	4 / 2.5	2 / 2	2,000	$297.50
7D	2	3 / 2.5	2 / 2	2,056	$288.91

All new homes are located within Jurupa Valley, Riverside, Fontana, and Eastvale. We are not using additional plans within Sterling as a comparable as they sold out one year ago. Sterling Plan 3 has a square footage of 1,958 square feet, however two of the Plan 3s were located on corner lots that needed a slight adjustment and were built with 1,684 square feet or 294 square feet less, are known as Plan 3X and will be valued below. All are of similar quality, design, and appeal. Adjustments were considered (when applicable) for location, stories, lot size, sales concessions, CFD taxes, common area benefits, total square footage, room count, garage space, and other amenities. The comparable new home sales have base prices ranging from $288.91 to $337.57 per square foot with generally the larger sized homes at the low-end of the per square foot price range. This is typical due to the economies of scale obtained during construction. The final base asking price for Sterling Plan 3 was $326.86 per square foot. There have been ten closings of Plan 3 with actual net sales prices from $291.88 to $325.47 per square foot. It should be noted that the reported sales prices include upgrades, premiums, and options along with any concessions given by the builder, while the concluded value relates to a base price for the plan taking into consideration all concessions. It has been concluded that Sterling Plan 3 has a base current market value of $300.00 per square foot. This calculates as follows:

1,958 sf x $300.00 = $587,400

The most appropriate new home comparable data for Sterling Plan 3X are shown on the following page.

Data	Model	Rm. Ct.	Flrs/Pkg.	Sq. Ft.	Price/SF
1D (Subj.)	3X	4 / 2.5	2 / 2	1,684	--
3D	2	5 / 3	2 / 2	2,147	$308.29
4D	2	3 / 2.5	2 / 2	1,578	$388.40
4D	3	3 / 2.5	2 / 2	1,863	$337.57
6D	2	3 / 2.5	2 / 2	1,669	$335.52
7D	1	3 / 2.5	2 / 2	1,791	$317.14
8D	1	3 / 2.5	3 / 2	1,608	$404.22
8D	2	3 / 2.5	3 / 2	1,665	$396.39

All new homes are located within Jurupa Valley, Riverside, Fontana, and Eastvale. We are not using additional plans within Sterling as a comparable as they sold out one year ago. Plan 3X is an Original Plan 3 that was cut down slightly to fit on two corner lots. All are of similar quality, design, and appeal. Adjustments were considered (when applicable) for location, stories, lot size, sales concessions, CFD taxes, common area benefits, total square footage, room count, garage space, and other amenities. The comparable new home sales have base prices ranging from $308.29 to $404.22 per square foot with generally the larger sized homes at the low-end of the per square foot price range. This is typical due to the economies of scale obtained during construction. The final base asking price for Sterling Plan 3X was $354.51 per square foot. There have been two closings of Plan 3X with actual net sales prices from $334.91 to $347.52 per square foot. It should be noted that the reported sales prices include upgrades, premiums, and options along with any concessions given by the builder, while the concluded value relates to a base price for the plan taking into consideration all concessions. It has been concluded that Sterling Plan 3X has a base current market value of $340.00 per square foot. This calculates as follows:

1,684 sf. x $340.00 = $572,560

The most appropriate new home comparable data for Ivory Plan 1 are shown on the following page.

Data	Model	Rm. Ct.	Flrs/Pkg.	Sq. Ft.	Price/SF
1A (Subj.)	1	2 / 2.5	2 / 2	1,148	--
1A	2	3 / 2.5	2 / 2	1,395	$377.77
1A	3	3 / 2.5	2 / 2	1,490	$371.81
2A	1	3 / 2.5	2 / 2	1,502	$366.17
3A	1	3 / 2.5	2 / 2	1,500	$342.75
4A	1	2 / 2	2 / 2	1,130	$436.27
5A	1	3 / 2.5	2 / 2	1,380	$422.46
7A	1	3 / 2.5	3 / 2	1,444	$403.73
7A	2	3 / 2.5	3 / 2	1,447	$402.90

All new homes are located within Jurupa Valley, Riverside, Fontana, and Eastvale. All are of similar quality, design, and appeal. Adjustments were considered (when applicable) for location, stories, lot size, sales concessions, CFD taxes, common area benefits, total square footage, room count, garage space, and other amenities. The comparable new home sales have base prices ranging from $342.75 to $436.27 per square foot with generally the larger sized homes at the low-end of the per square foot price range. This is typical due to the economies of scale obtained during construction. The current base asking price for Ivory Plan 1 is $432.92 per square foot. There have been 14 closings of Plan 1 with actual net sales prices from $368.67 to $411.00 per square foot. There is one current escrow of a Plan 1 with a reported net sales price of $375.52 per square foot, however the sales amount may change as additional options or concessions are added. One Ivory Plan 1 has been resold. It originally sold for a net price of $450,990 ($392.85 per square foot) in July 2025 and resold in March 2026 for $436,100 ($379.88 per square foot) after a concession of $8,900 to pay the buyer broker fee. It should be noted that the reported sales prices include upgrades, premiums, and options along with any concessions given by the builder, while the concluded value relates to a base price for the plan taking into consideration all concessions. It has been concluded that Ivory Plan 1 has a base current market value of $370.00 per square foot. This calculates as follows:

1,148 sf x $370.00 = $424,760

The most appropriate new home comparable data for Ivory Plan 2 are shown on the following page.

Data	Model	Rm. Ct.	Flrs/Pkg.	Sq. Ft.	Price/SF
1A (Subj.)	2	3 / 2.5	2 / 2	1,395	--
1A	1	2 / 2.5	2 / 2	1,148	$432.92
1A	3	3 / 2.5	2 / 2	1,490	$371.81
2A	1	3 / 2.5	2 / 2	1,502	$366.17
3A	1	3 / 2.5	2 / 2	1,500	$342.75
4A	3	3 / 3.5	2 / 2	1,550	$377.99
5A	1	3 / 2.5	2 / 2	1,380	$422.46
6A	2	3 / 2.5	3 / 2	1,579	$407.21
7A	1	3 / 2.5	3 / 2	1,444	$403.73
7A	2	3 / 2.5	3 / 2	1,447	$402.90
7A	3	3 / 3	3 / 2	1,465	$401.36

All new homes are located within Jurupa Valley, Riverside, Fontana, and Eastvale. All are of similar quality, design, and appeal. Adjustments were considered (when applicable) for location, stories, lot size, sales concessions, CFD taxes, common area benefits, total square footage, room count, garage space, and other amenities. The comparable new home sales have base prices ranging from $342.75 to $432.92 per square foot with generally the larger sized homes at the low-end of the per square foot price range. This is typical due to the economies of scale obtained during construction. The current base asking price for Ivory Plan 2 is $377.77 per square foot. There have been 15 closings of Plan 2 with actual net sales prices from $336.92 to $359.12 per square foot. There are no current escrows of Plan 2. It should be noted that the reported sales prices include upgrades, premiums, and options along with any concessions given by the builder, while the concluded value relates to a base price for the plan taking into consideration all concessions. It has been concluded that Ivory Plan 2 has a base current market value of $340.00 per square foot. This calculates as follows:

1,395 sf x $340.00 = $474,300

The most appropriate new home comparable data for Ivory Plan 3 are shown on the following page.

Data	Model	Rm. Ct.	Flrs/Pkg.	Sq. Ft.	Price/SF
1A (Subj.)	3	3 / 2.5	2 / 2	1,490	--
1A	2	3 / 2.5	2 / 2	1,395	$377.77
1A	4	3 / 2.5	2 / 2	1,554	$359.71
2A	1	3 / 2.5	2 / 2	1,502	$366.17
3A	1	3 / 2.5	2 / 2	1,500	$342.75
4A	3	3 / 3.5	2 / 2	1,550	$377.99
5A	1	3 / 2.5	2 / 2	1,380	$422.46
6A	2	3 / 2.5	3 / 2	1,579	$407.21
7A	2	3 / 2.5	3 / 2	1,447	$402.90
7A	3	3 / 3	3 / 2	1,465	$401.36

All new homes are located within Jurupa Valley, Riverside, Fontana, and Eastvale. All are of similar quality, design, and appeal. Adjustments were considered (when applicable) for location, stories, lot size, sales concessions, CFD taxes, common area benefits, total square footage, room count, garage space, and other amenities. The comparable new home sales have base prices ranging from $342.75 to $422.46 per square foot with generally the smaller sized homes at the high-end of the per square foot price range. This is typical due to the economies of scale obtained during construction. The current base asking price for Ivory Plan 3 is $371.81 per square foot. There have been 17 closings of Plan 3 with actual net sales prices from $331.54 to $355.15 per square foot. There is one current escrow of a Plan 3 with a reported net sales price of $366.64 per square foot, however the sales amount may change as additional options or concessions are added. It should be noted that the reported sales prices include upgrades, premiums, and options along with any concessions given by the builder, while the concluded value relates to a base price for the plan taking into consideration all concessions. It has been concluded that Ivory Plan 3 has a base current market value of $325.00 per square foot. This calculates as follows:

1,490 sf x $325.00 = $484,250

The most appropriate new home comparable data for Ivory Plan 4 are shown on the following page.

Data	Model	Rm. Ct.	Flrs/Pkg.	Sq. Ft.	Price/SF
1A (Subj.)	4	3 / 2.5	2 / 2	1,554	--
1A	2	3 / 2.5	2 / 2	1,395	$377.77
1A	3	3 / 2.5	2 / 2	1,490	$371.81
2A	1	3 / 2.5	2 / 2	1,502	$366.17
2A	2	4 / 2.5	2 / 2	1,600	$353.74
3A	1	3 / 2.5	2 / 2	1,500	$342.75
3A	2	4 / 2.5	2 / 2	1,602	$351.93
4A	2	3 / 3	2 / 2	1,630	$345.33
4A	3	3 / 3.5	2 / 2	1,550	$377.99
5A	2	3 / 2.5	2 / 2	1,641	$384.52
6A	2	3 / 2.5	3 / 2	1,579	$407.21
7A	4	4 / 4	3 / 2	1,672	$380.38

All new homes are located within Jurupa Valley, Riverside, Fontana, and Eastvale. All are of similar quality, design, and appeal. Adjustments were considered (when applicable) for location, stories, lot size, sales concessions, CFD taxes, common area benefits, total square footage, room count, garage space, and other amenities. The comparable new home sales have base prices ranging from $342.75 to $407.21 per square foot with generally the smaller sized homes at the high-end of the per square foot price range. This is typical due to the economies of scale obtained during construction. The current base asking price for Ivory Plan 4 is $359.71 per square foot. There have been 17 closings of Plan 4 with actual net sales prices from $303.97 to $349.59 per square foot. There are two current escrows of Plan 4 with a reported net sales price range of $321.44 to $328.88 per square foot, however the sales amount may change as additional options or concessions are added. It should be noted that the reported sales prices include upgrades, premiums, and options along with any concessions given by the builder, while the concluded value relates to a base price for the plan taking into consideration all concessions. It has been concluded that Ivory Plan 4 has a base current market value of $315.00 per square foot. This calculates as follows:

1,554 sf x $315.00 = $489,510

Retail Values – Sterling and Ivory at Paradise Knolls

Within Sterling, all homes have closed. Within Ivory, there are 19 builder-owned houses over 95 percent complete, four of which are decorated models. Per interviews with builders, upgrades and landscape/hardscape of up to $150,000 are installed in the model

homes, however, the builders generally consider this a marketing cost and do not anticipate recovering this investment on a dollar-for-dollar basis. Based on historical information, home sizes and fixtures, actual model home sales within the subject area and the current real estate market, a consideration of a $75,000 premium has been included with each of the model homes. As concluded above, the retail base value conclusions for the builder-owned homes within Ivory are calculated below:

Sterling:	
Plan 1 (0 x $559,935)	$ 0
Plan 2 (0 x $584,040)	0
Plan 3 (0 x $587,400)	0
Plan 3X (0 x $572,560)	0
Ivory:	
Plan 1 (6 x $424,760)	$ 2,548,560
Plan 2 (5 x $474,300)	2,371,500
Plan 3 (3 x $484,250)	1,452,750
Plan 4 (5 x $489,510)	2,447,550
Model Upgrades (4 x $75,000)	300,000
Total Builder-Owned Retail Value	$9,120,360

Absorption Period

In order to arrive at an absorption period for the builder-owned homes, the absorption rate for Ivory at Paradise Knolls along with the comparable projects have been reviewed. As discussed under the Highest and Best Use section earlier within this report, Ivory has an overall average sales rate of 3.5 sales per month since opening. When reviewing only the 2026 sales, the average rate is a bit lower at 2.9 sales per month. The sales rates within the comparable attached projects range from 0.9 to 3.7 sales per month. Within Ivory there are 19 builder-owned homes (including four models) which are over 95 percent complete, with four of those in escrow and due to close within the next few weeks. Based on the sales rates along with the product, current escrows and current interest rate environment, it has been concluded that the 19 builder-owned homes will be absorbed within an eight-month period at the concluded values.

Remaining Costs

As discussed under the remaining costs section earlier within this report, there is $47,340.49 per home/pad in remaining land development costs and fees associated with

the Ivory builder-owned homes, which equates to a total of $899,469 ($47,340.49 x 19) for the subject 19 builder-owned homes. It is an assumption of this analysis that the remaining costs will be spread evenly over the eight-month absorption time period.

Expenses

In determining an expense rate, several builders in the subject area have been interviewed as to their expenses on selling existing inventory. Expenses include marketing and general administrative costs. These costs typically range from six to ten percent depending on varying factors such as absorption period, intensity of marketing, etc. Eight percent has been estimated for marketing expenses and two percent for general and administrative costs for a total of ten percent in expenses for this analysis.

Profit

Several interviews with merchant builders in the area were conducted in order to determine an appropriate profit percentage for the subject properties. In the early 2000s, developers typically attempted to achieve a 10 to 12 percent profit based on gross sales proceeds. During the Great Recession this range was lowered considerably to, at times, six percent with some builders drastically lowering their profit potential in order to maintain their work force. With pricing increasing and the demand for new homes at the subject price points, the builder profits have improved. A ten percent profit is considered appropriate in the analysis for this project.

Discount Rate

In selecting a discount rate, the following was completed:

1. Interviews with merchant builders in the Riverside/Inland Empire area
2. Review of current market conditions including current market rates as well as yields reflected in other markets (i.e., municipal bonds, corporate bonds, etc.)
3. The quality, construction, historical sales, and product on the subject property

The homes within Ivory began selling in March 2025, with Ivory experiencing an overall average absorption rate of 3.5 sales per month which is considered to be very good as the average in the subject's sub-market is 2.3 homes per month thus far year-to-date. When just looking at 2026, the subject has had an average rate of 2.9 homes per month which is

still above the average in the subject's submarket. Based on the sales rate within the subject project, the competition, the product and location, a ten percent discount rate is considered appropriate for this analysis.

Discounted Cash Flow Summary

The discounted revenue (see DCF Analysis in addenda) for the builder-owned homes within Ivory is $6,268,663.

Ivory at Paradise Knolls – Builder Ownership Valuation Conclusion

The builder-owned property in JCSD CFD No. 58 consists of 36 pads, (26 with homes under construction) and 19 homes over 95 percent complete including four model homes. The final valuation of the builder-owned property is:

Century Communities (36 pads "as is")	$ 5,495,742
Century Communities (19 houses)	6,268,663
Subtotal Century Communities Ownership Ivory	**$11,764,405**

Sterling and Ivory – Individual Owners Value Conclusion

There are 35 individually owned homes within Sterling and 63 individually owned homes within Ivory. Based on the concluded value for each plan, below are the individually owned homes within the subject property.

Sterling:		
	Plan 1 (11 x $559,935)	$ 6,159,285
	Plan 2 (12 x $584,040)	7,008,480
	Plan 3 (10 x $587,400)	5,874,000
	Plan 3X (2 x $572,560)	1,145,120
Ivory:		
	Plan 1 (14 x $424,760)	$ 5,946,640
	Plan 2 (15 x $474,300)	7,114,500
	Plan 3 (17 x $484,250)	8,232,250
	Plan 4 (17 x $489,510)	8,321,670
Total Individual Owners Minimum Market Value		**$49,801,945**

In an additional review, we have reviewed the original builder sales prices for the closed homes within Sterling and Ivory. Sales occurred between October 2024 and September

2026 with actual net sales totaling $51,244,835. This is inclusive of all upgrades, premiums, options, and takes into consideration all incentives including but not limited to mortgage and closing cost incentives. The concluded valuation is 2.8 percent lower than the actual net sales prices. This is due to the options, upgrades and premiums purchased by the homeowners. The concluded values relate to the base price, less all concessions. It is our conclusion that the original builder's sales prices further substantiate the concluded minimum market value for the individually owned homes.

APPRAISAL REPORT SUMMARY

The appraisal assignment was to value the subject property which consists of lands within JCSD CFD No. 58 proposed for Sterling and Ivory at Paradise Knolls by Century Communities in the City of Jurupa Valley in Riverside County. Sterling includes 35 detached homes on small lots that have sold and closed out. Ivory includes 118 proposed attached homes with 63 closed to individuals at this time. We have reviewed the builder sales and reviewed the areas Multiple Listing Service along with a physical inspection finding one re-sale and no current listings.

The subject property was valued using the Sales Comparison Approach to value and a mass appraisal technique. A minimum value was determined for the existing homes by concluding at a base value for each plan. The valuation considered the improvements/benefits to be funded by JCSD CFD No. 58 bond proceeds along with the JCSD CFD No. 58 special tax lien. As a result of our investigation, the concluded value for the subject property is:

JCSD CFD No. 58 (Sterling and Ivory by Century Communities

Century Communities Ownership (36 pads and 19 homes)	$ 11,764,405
Individual Owned (98 homes)	$ 49,801,945
Aggregate Value of JCSD CFD No. 58	**$ 61,566,350**

The above values are stated subject to the Assumptions and Limiting Conditions of this report, the Appraiser's Certification.

APPRAISER'S CERTIFICATION

The appraiser certifies that to the best of his 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 my personal, unbiased, professional analyses, opinions, and conclusions.

3. The appraiser has no present or prospective interest in the property that is the subject of this report, and no personal interest or bias with respect to the parties involved.

4. The appraiser's compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

5. This appraisal was not based on a requested minimum valuation, a specific valuation or the approval of a loan.

6. The analyses, opinions and conclusions were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

7. Kitty Siino has made a personal inspection of the property that is the subject of this report.

8. Kitty Siino has not performed any appraisal services on the subject property in the past three years.

9. No other appraisers have provided significant professional assistance to the persons signing this report.

10. The reported analyses, opinions and conclusions were developed, and this report was prepared, in conformity with the requirements of the Appraisal Institute's Code of Professional Ethics and Standards of Professional Appraisal Practice, which include the Uniform Standards of Professional Appraisal Practice.

11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

12. As of the date of this report, Kitty Siino has completed the requirements of the continuing education program of the Appraisal Institute.



Kitty S. Siino, MAI
State Certified General
Real Estate Appraiser (AG004793)

ADDENDA

JURUPA COMMUNITY SERVICES DISTRICT
No. 58 BOUNDARY MAP

PROPOSED BOUNDARY
COMMUNITY FACILITIES DISTRICT NO. 58
(PARADISE KNOLLS)
JURUPA COMMUNITY SERVICES DISTRICT
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF DIRECTORS OF JURUPA COMMUNITY SERVICES DISTRICT THIS 2nd DAY OF October, 2023.

W.G. Ogle

SECRETARY OF THE BOARD OF DIRECTORS
JURUPA COMMUNITY SERVICES DISTRICT

FILED THIS 4 DAY OF October, 2023 AT THE HOUR OF 8:05 O'CLOCK A M IN BOOK 91 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 100 IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND AS INSTRUMENT NO.: 2023-0392264 FEE: $9

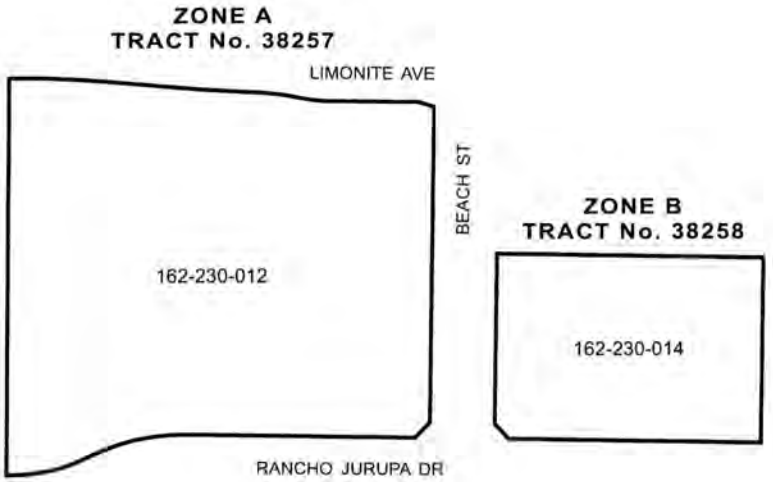
PETER ALDANA, ASSESSOR, COUNTY CLERK, RECORDER

BY: [signature]
DEPUTY

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 58 (PARADISE KNOLLS) OF JURUPA COMMUNITY SERVICES DISTRICT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED AT A REGULAR MEETING THEREOF HELD ON THE 25th DAY OF September, 2023. BY ITS RESOLUTION NO. 3353

W.G. Ogle

SECRETARY OF THE BOARD OF DIRECTORS,
JURUPA COMMUNITY SERVICES DISTRICT



VICINITY MAP
(NOT TO SCALE)





LEGEND

——— PARCEL LINE

——— CFD BOUNDARY

XXX-XXX-XXX ASSESSOR PARCEL NUMBER

THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. PARCEL NUMBERS ARE RIVERSIDE COUNTY ASSESSOR'S PARCEL NUMBERS. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCELS REFER TO THE COUNTY ASSESSOR'S MAPS FOR FISCAL YEAR 2023-2024

M:\GIS\Assessment\JCSD\JCSD_CFD58_Boundary.mxd

TRACT MAP Nos. 38257 & 38258

SEE SHEET 2 FOR BASIS OF BEARINGS AND EASEMENT NOTES

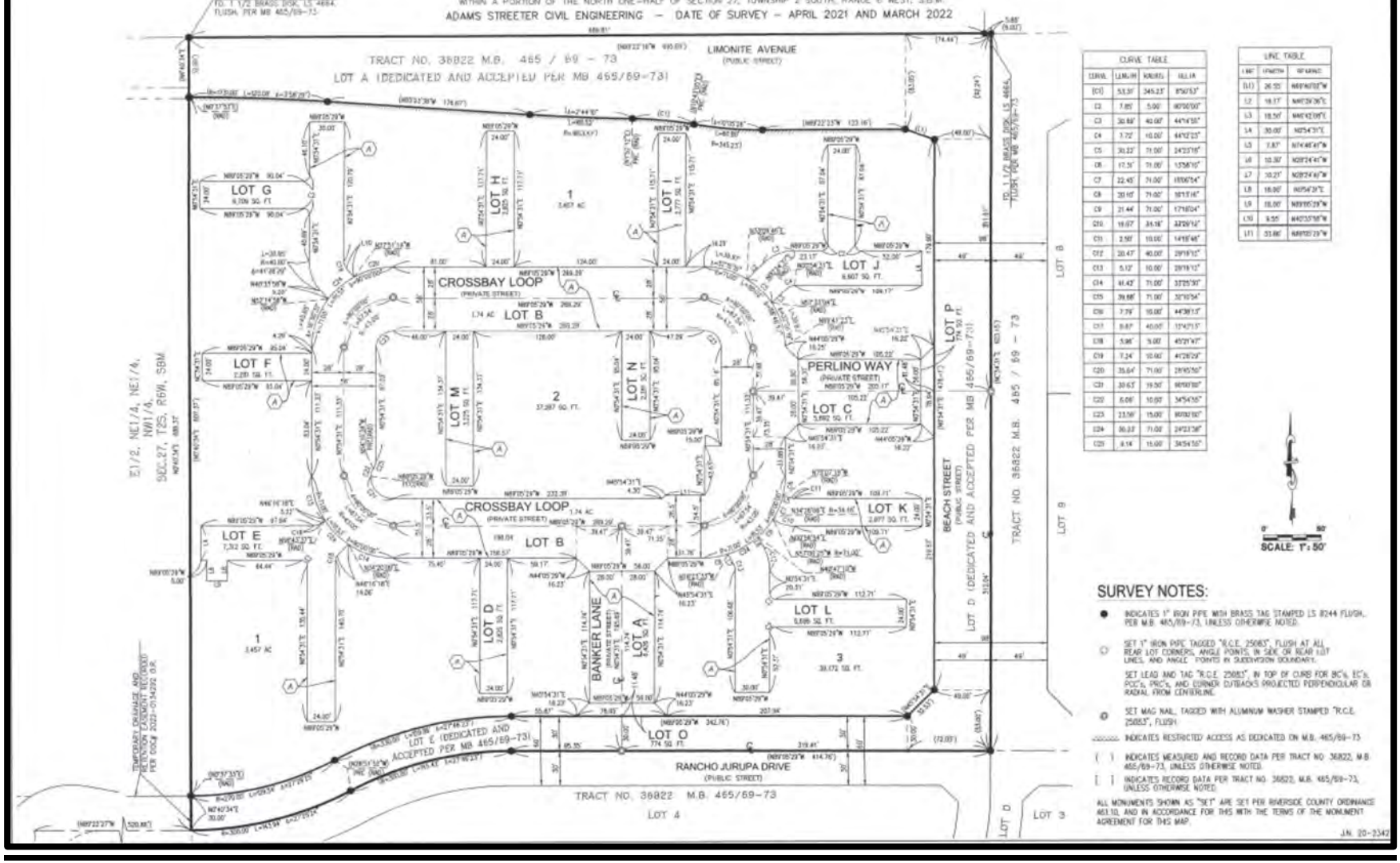
IN THE CITY OF JURUPA VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

SHEET 3 OF 3 SHEETS

TRACT MAP NO. 38257

BEING A SUBDIVISION OF LOT 7 OF TRACT MAP NO. 36822, AS RECORDED IN BOOK 465 OF MAPS, PAGES 69 THROUGH 73, INCLUSIVE, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING WITHIN A PORTION OF THE NORTH ONE-HALF OF SECTION 27, TOWNSHIP 2 SOUTH, RANGE 6 WEST, S.B.M.

ADAMS STREETER CIVIL ENGINEERING – DATE OF SURVEY – APRIL 2021 AND MARCH 2022



CURVE TABLE			
CURVE	LENGTH	RADIUS	DELTA
(C1)	53.31'	345.23'	8°50'53"
C2	7.85'	5.00'	90°00'00"
C3	30.88'	40.00'	44°14'55"
C4	7.72'	10.00'	44°12'23"
C5	30.22'	71.00'	24°23'16"
C6	17.31'	71.00'	13°58'10"
C7	22.45'	71.00'	18°06'54"
C8	20.10'	71.00'	16°13'16"
C9	21.44'	71.00'	17°18'04"
C10	19.07'	35.18'	31°03'12"
C11	2.59'	10.00'	14°49'46"
C12	20.47'	40.00'	29°18'52"
C13	5.12'	10.00'	29°19'12"
C14	41.42'	71.00'	33°25'30"
C15	39.88'	71.00'	32°10'54"
C16	7.79'	10.00'	44°38'15"
C17	8.67'	40.00'	12°24'13"
C18	5.96'	5.00'	45°41'47"
C19	7.24'	10.00'	41°28'29"
C20	35.64'	71.00'	28°45'50"
C21	30.63'	19.50'	90°00'00"
C22	6.06'	10.00'	34°43'10"
C23	23.56'	15.00'	90°00'00"
C24	30.33'	71.00'	24°28'38"
C25	8.14'	15.00'	34°41'10"

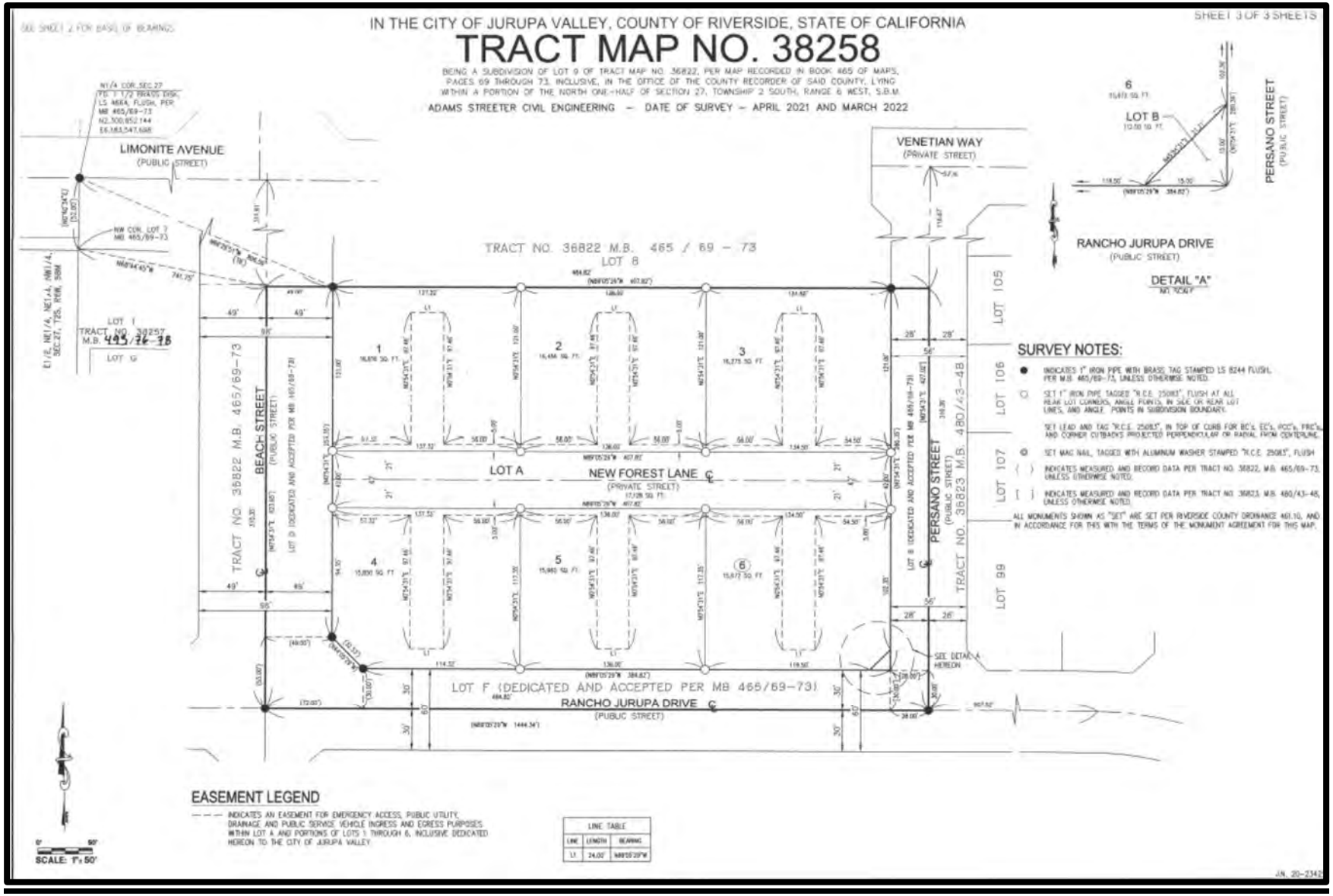
LINE TABLE		
LINE	LENGTH	BEARING
(L1)	26.55'	N89°40'02"W
L2	19.17'	N48°29'36"E
L3	18.56'	N40°42'09"E
L4	30.00'	N27°54'31"E
L5	7.87'	N74°48'41"W
L6	10.30'	N28°24'40"W
L7	10.23'	N28°24'40"W
L8	18.00'	N62°54'31"E
L9	18.00'	N89°05'29"W
L10	9.55'	N40°33'58"W
L11	33.86'	N89°05'29"W

SURVEY NOTES:

- ● INDICATES 1" IRON PIPE WITH BRASS TAG STAMPED LS 8244 FLUSH, PER M.B. 465/69-73, UNLESS OTHERWISE NOTED.
- ○ SET 1" IRON PIPE TAGGED "R.C.E. 25083", FLUSH AT ALL REAR LOT CORNERS, ANGLE POINTS IN SIDE OR REAR LOT LINES, AND ANGLE POINTS IN SUBDIVISION BOUNDARY.
  SET LEAD AND TAG "R.C.E. 25083", IN TOP OF CURB FOR BC's, EC's, PCC's, PRC's, AND CORNER CUTBACKS PROJECTED PERPENDICULAR OR RADIAL FROM CENTERLINE.
- ◎ SET MAG NAIL, TAGGED WITH ALUMINUM WASHER STAMPED "R.C.E. 25083", FLUSH.
- xxxxxx INDICATES RESTRICTED ACCESS AS DEDICATED ON M.B. 465/69-73.
- ( ) INDICATES MEASURED AND RECORD DATA PER TRACT NO. 36822, M.B. 465/69-73, UNLESS OTHERWISE NOTED.
- [ ] INDICATES RECORD DATA PER TRACT NO. 36822, M.B. 465/69-73, UNLESS OTHERWISE NOTED.

ALL MONUMENTS SHOWN AS "SET" ARE SET PER RIVERSIDE COUNTY ORDINANCE 461.10, AND IN ACCORDANCE FOR THIS WITH THE TERMS OF THE MONUMENT AGREEMENT FOR THIS MAP.

J.N. 20-2342


SHEET 3 OF 3 SHEETS
IN THE CITY OF JURUPA VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
TRACT MAP NO. 38258
BEING A SUBDIVISION OF LOT 9 OF TRACT MAP NO. 36822, PER MAP RECORDED IN BOOK 465 OF MAPS, PAGES 69 THROUGH 73, INCLUSIVE, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING WITHIN A PORTION OF THE NORTH ONE-HALF OF SECTION 27, TOWNSHIP 2 SOUTH, RANGE 6 WEST, S.B.M.
ADAMS STREETER CIVIL ENGINEERING – DATE OF SURVEY – APRIL 2021 AND MARCH 2022
(SEE SHEET 2 FOR BASIS OF BEARINGS)
LIMONITE AVENUE
(PUBLIC STREET)
VENETIAN WAY
(PRIVATE STREET)
PERSANO STREET
(PUBLIC STREET)
RANCHO JURUPA DRIVE
(PUBLIC STREET)
DETAIL "A"
TRACT NO. 36822 M.B. 465 / 69 – 73
LOT 8
LOT A
NEW FOREST LANE
(PRIVATE STREET)
LOT F (DEDICATED AND ACCEPTED PER MB 465/69-73)
TRACT NO. 36822 M.B. 465/69-73
BEACH STREET
(PUBLIC STREET)
TRACT NO. 36823 M.B. 480/43-48
LOT 105
LOT 106
LOT 107
LOT 99
LOT I
TRACT NO. 38257
M.B. 495/76-78
LOT G
LOT B
SEE DETAIL A HEREON
SURVEY NOTES:
INDICATES 1" IRON PIPE WITH BRASS TAG STAMPED LS 8244 FLUSH, PER M.B. 465/69-73, UNLESS OTHERWISE NOTED.
SET 1" IRON PIPE TAGGED "R.C.E. 25083", FLUSH AT ALL REAR LOT CORNERS, ANGLE POINTS IN SIDE OR REAR LOT LINES, AND ANGLE POINTS IN SUBDIVISION BOUNDARY.
SET LEAD AND TAG "R.C.E. 25083", IN TOP OF CURB FOR BC's, EC's, PCC's, PRC's, AND CORNER CUTBACKS PROJECTED PERPENDICULAR OR RADIAL FROM CENTERLINE.
SET MAG NAIL, TAGGED WITH ALUMINUM WASHER STAMPED "R.C.E. 25083", FLUSH
( ) INDICATES MEASURED AND RECORD DATA PER TRACT NO. 36822, M.B. 465/69-73, UNLESS OTHERWISE NOTED.
[ ] INDICATES MEASURED AND RECORD DATA PER TRACT NO. 36823, M.B. 480/43-48, UNLESS OTHERWISE NOTED.
ALL MONUMENTS SHOWN AS "SET" ARE SET PER RIVERSIDE COUNTY ORDINANCE 461.10, AND IN ACCORDANCE FOR THIS WITH THE TERMS OF THE MONUMENT AGREEMENT FOR THIS MAP.
EASEMENT LEGEND
INDICATES AN EASEMENT FOR EMERGENCY ACCESS, PUBLIC UTILITY, DRAINAGE AND PUBLIC SERVICE VEHICLE INGRESS AND EGRESS PURPOSES WITHIN LOT A AND PORTIONS OF LOTS 1 THROUGH 6, INCLUSIVE DEDICATED HEREON TO THE CITY OF JURUPA VALLEY.
LINE TABLE
LINE | LENGTH | BEARING
L1 | 24.00' | N89°05'29"W
SCALE: 1"= 50'
JN. 20-2342

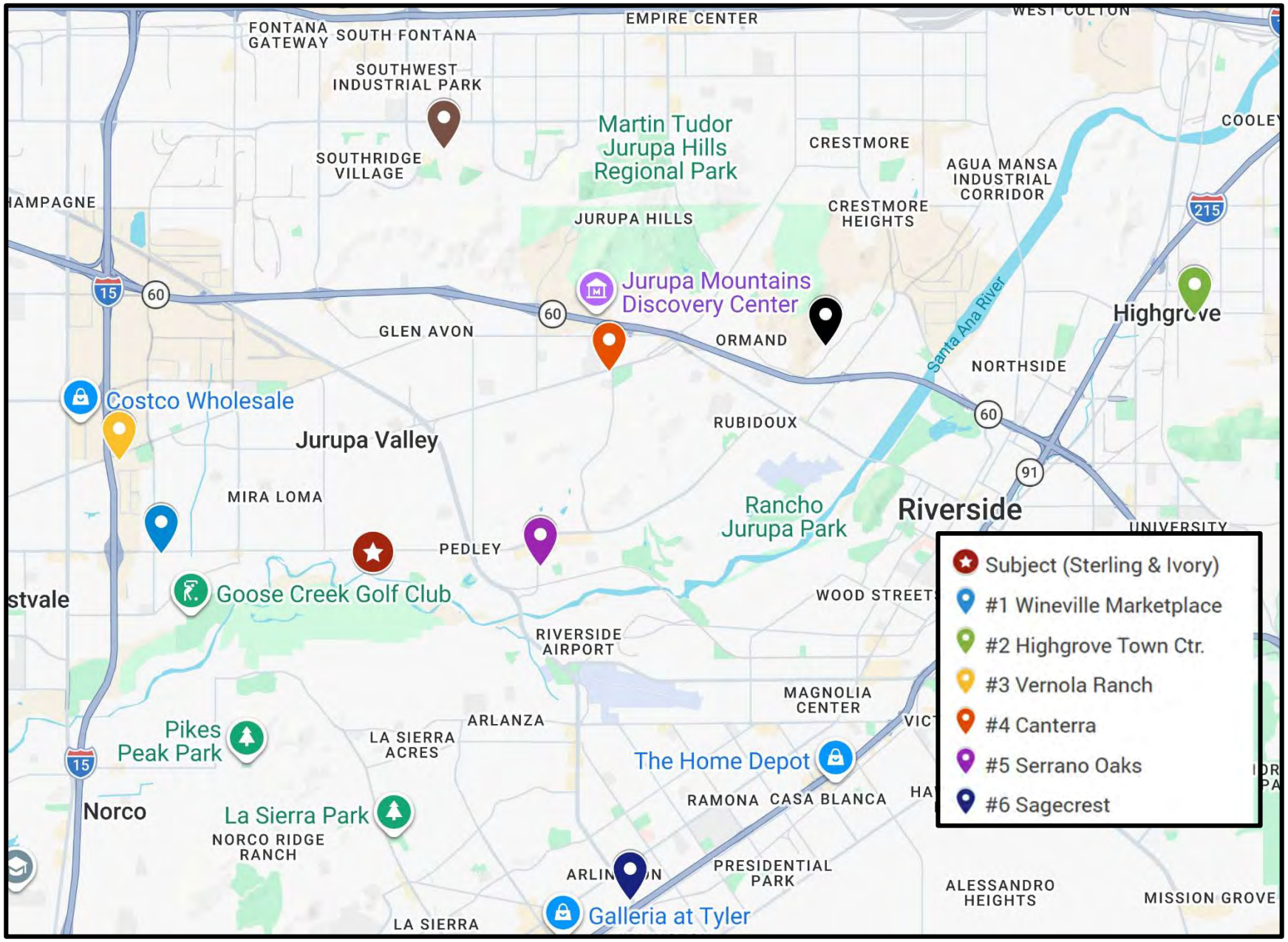
DISCOUNTED CASH FLOW ANALYSIS

JCSD CFD No. 58 Ivory at Paradise Knolls Discounted Cash Flow Analysis

MONTH	MONTH 1	MONTH 2	MONTH 3	MONTH 4	MONTH 5	MONTH 6	MONTH 7	MONTH 8	**TOTAL**
INCOME:									
Retail Sales	$1,140,045	$1,140,045	$1,140,045	$1,140,045	$1,140,045	$1,140,045	$1,140,045	$1,140,045	$9,120,360
TOTAL INCOME	$1,140,045	$1,140,045	$1,140,045	$1,140,045	$1,140,045	$1,140,045	$1,140,045	$1,140,045	$9,120,360
EXPENSES:									
Remaining Costs	($112,434)	($112,434)	($112,433)	($112,434)	($112,434)	($112,433)	($112,434)	($112,433)	($899,469)
Marketing & Carrying Expenses	($114,005)	($114,005)	($114,005)	($114,005)	($114,005)	($114,005)	($114,005)	($114,005)	($912,036)
Profit	($114,005)	($114,005)	($114,005)	($114,005)	($114,005)	($114,005)	($114,005)	($114,005)	($912,036)
TOTAL EXPENSES	($340,443)	($340,443)	($340,442)	($340,443)	($340,443)	($340,442)	($340,443)	($228,009)	($2,611,108)
NET CASH FLOW	$799,602	$799,602	$799,603	$799,602	$799,602	$799,603	$799,602	$912,036	$6,509,252
Discount Factor	0.9917	0.9835	0.9754	0.9673	0.9594	0.9514	0.9436	0.9358	
DISCOUNTED CASH FLOW		$792,994	$786,440	$779,942	$773,495	$767,102	$760,764	$754,475	$853,452
CUMULATIVE DISCOUNTED CASH FLOW		**$792,994**	**$1,579,434**	**$2,359,375**	**$3,132,870**	**$3,899,972**	**$4,660,736**	**$5,415,211**	**$6,268,663**

RESIDENTIAL LAND SALES MAP & SUMMARY CHART

UNIMPROVED RESIDENTIAL SALES MAP



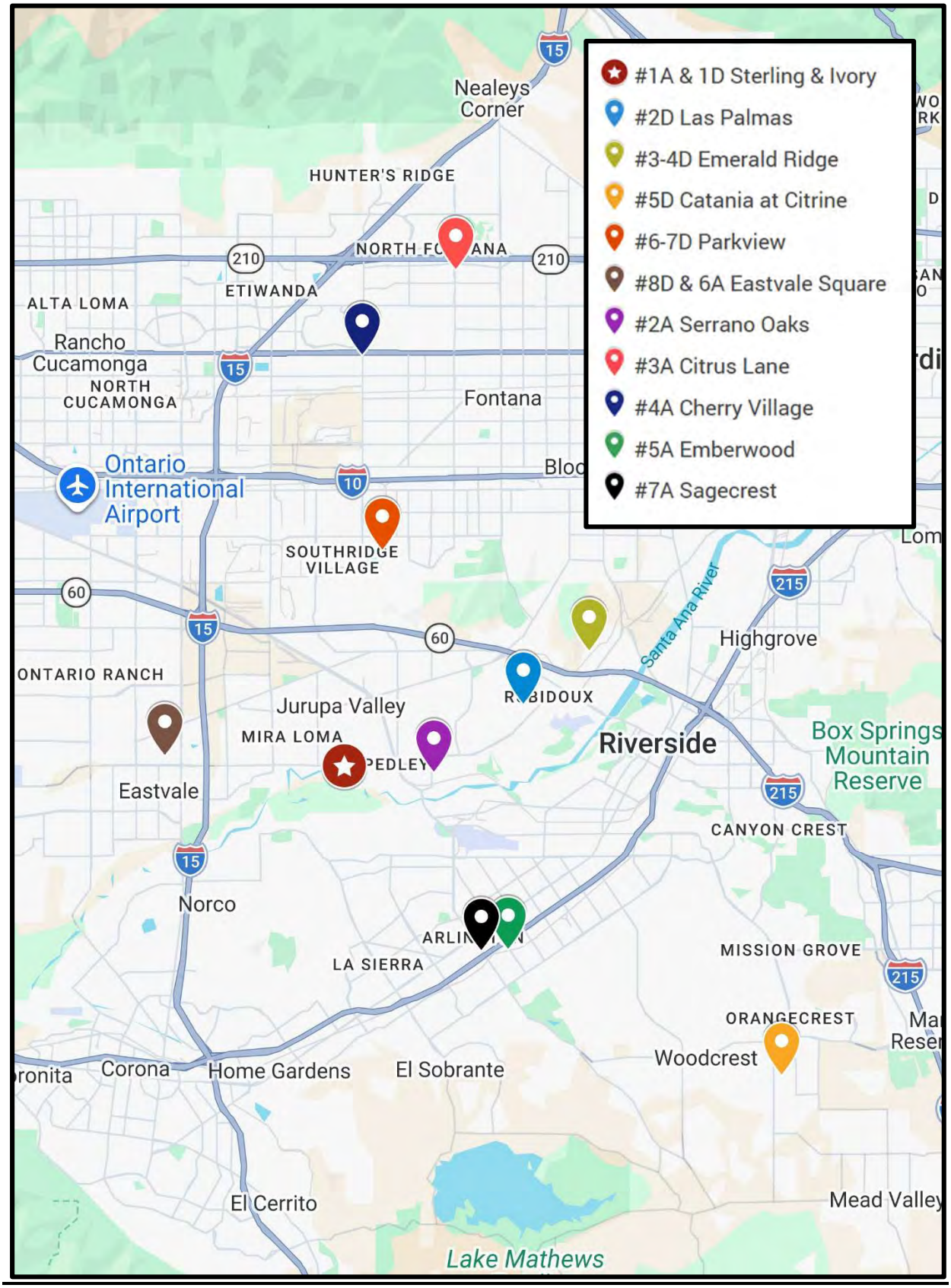
UNIMPROVED RESIDENTIAL SALES SUMMARY CHART

Data No.	Location / APN / Buyer / Seller	City	Sales Date	# Lots	Lot Size (sf) or Density	Sales Price / Price per Lot	Est. Finished Lot Price	Comments
Sub.	Ivory and Sterling (PA 2) of Paradise Knolls, SWC and SEC of Limonite Avenue and Beach Street, Jurupa Valley / 162-340-004 / Century Communities / Lansing Companies	Jurupa Valley	3/22	153	Cluster SFD and Attached Townhomes (12 - 15 du/ac.)	--	--	
1	Wineville Marketplace, SEC of Limonite Avenue and Wineville Avenue, Jurupa Valley / 157-250-013 / Lennar / Diversified Pacific	Jurupa Valley	8/26	232	4,000 SF, Detached Clusters, Attached Townhomes	$20,164,500 / $86,916	$257,000 (Blended)	Closed with an approved Tentative Tract Map with Final Map in Process in an unimproved condition.
2	Highgrove Town Center PA 1B, SE of Center Street and California Street, Highgrove (Riverside UI) / 255-060-034 / Lennar / Foremost Pacific	Highgrove (Riverside UI)	2/26	223	Townhomes (18 du/ac.)	$21,185,000 / $95,000	$180,000	Closed with an approved Final Map in an unimproved condition.
3	Vernola Ranch, SEC of Bellegrave Avenue and Interstate 15, Jurupa Valley / 160-050-070 / Lennar / Vernola Family Trust	Jurupa Valley	8/25	677	8 Product Lines (Blended 9 du/ac.)	$96,100,000 / $141,950	$280,000 (Blended)	Closed with an approved Final Map in an unimproved condition. 8 Product lines ranging from attached townhomes to 5,000 SF Lots.

4	Canterra (Madone Collection), SWC of Jurupa Road and Camino Real, Jurupa Valley / 183-030-014 / Richmond American / Warmington Residential	Jurupa Valley	7/25	67	2,800 SF (10 du/ac.)	$10,407,000 / $155,328	$275,000	Closed with an approved Tentative Tract Map with Final Map in Process in an unimproved condition.
5	Serrano Oaks, NEC of Linares Avenue and Clay Street, Jurupa Valley / 163-400-028 / D.R. Horton / Rexco	Jurupa Valley	12/24	66	Townhomes (16 du/ac.)	$4,389,000 / $66,500	$210,000	Closed with an approved Tentative Tract Map with Final Map in Process in an unimproved condition.
6	Sagecrest (“Van Buren” / NW of Van Buren Boulevard and State Route 91, Riverside / 234-140-019 and 234-150-046 / Century Communities / Warmington Residential	Riverside	10/24	149	Townhomes (23 du/ac.)	$5,325,000 / $35,738	$213,000	Closed with an approved Final Map in an unimproved condition.

IMPROVED RESIDENTIAL SALES MAP & SUMMARY CHART

IMPROVED RESIDENTIAL SALES MAP



IMPROVED RESIDENTIAL SALES SUMMARY CHART (DETACHED)

Data No.	Project Name Location/Developer	Plan	Room Count	Floors/ Parking	Size (SF)	Lot Size or Density / Absorption	Base Sales Price	Price/SF
1D (Subj.)	Sterling at Paradise Knolls, Limonite and Beach Street, Jurupa Valley / Century Communities	1	3 / 2.5	2 / 2	1,623	Det. Condo	$592,990	$365.37
		2	3 / 2.5	2 / 2	1,684	2,000 sf lots	$596,990	$354.51
		3	4 / 2.5	2 / 2	1,884	2.9 sales/mo	$624,990	$331.74
		4	4 / 2.5	2 / 2	1,958		$639,990	$326.86
2D	Las Palmas / NW 45th Street and Pacific Avenue, Jurupa Valley / RC Hobbs	1	3 / 2.5	2 / 2	2,005	Det. Condo	$599,990	$299.25
		2	5 / 3	2 / 2	2,235	1,800 sf lot	$639,990	$286.35
						3.1 sales/mo		
3D	Overlook at Emerald Ridge / SWC 28th Steet and Canal Street, Jurupa Valley / Lennar	1	3 / 2	1 / 2	1,229	Det. Condo	$576,900	$469.41
		2	5 / 3	2 / 2	2,147	3,600 sf lot	$661,900	$308.29
		3	4 / 2.5	2 / 2	2,388	4.4 sales/mo	$669,900	$280.53
		4	6 / 3	2 / 2	2,472		$689,900	$279.09
4D	Skyline at Emerald Ridge / SWC 28th Steet and Canal Street, Jurupa Valley / Lennar	1	3 / 2	1 / 2	1,229	Det. Condo	$575,900	$468.59
		2	3 / 2.5	2 / 2	1,578	3,600 sf lot	$612,900	$388.40
		3	3 / 2.5	2 / 2	1,863	4.6 sales/mo	$628,900	$337.57
		4	3 / 2.5	2 / 2	2,021		$646,900	$320.09
5D	Cantania at Citrine / S of Lurin Ave at Rio Esta Way, Riverside / KB Home	1	3 / 2	1 / 2	1,618		$655,990	$405.43
		2	3 / 2	1 / 2	1,919	5,700 sf lots	$738,929	$385.06
		3	3 / 2.5	2 / 2	2,218	5.3 sales/mo	$710,990	$320.55
		4	5 / 3	2 / 2	2,519		$719,990	$285.82
		5	5 / 3	2 / 2	2,874		$749,990	$260.96
6D	Arbor at Parkview / Live Oak Avenue, South of Village Drive, Fontana / KB Home	1	3 / 2.5	2 / 2	1,669	Small Lot SFD	$559,990	$335.52
		2	3 / 2.5	2 / 2	1,877	6.1 sales/mo	$580,990	$309.53
		3	4 / 2.5	2 / 2	2,000		$594,990	$297.50
7D	Canopy at Parkview / Live Oak Avenue, South of Village Drive, Fontana / KB Home	1	3 / 2.5	2 / 2	1,791	Det. Cluster	$567,990	$317.14
		2	3 / 2.5	2 / 2	2,056	4.8 sales/mo	$593,990	$288.91
		3	5 / 3	2 / 2	2,320		$654,990	$282.32
8D	Fairfax at Eastvale Square / NEC Limonite Ave and Scholar Way, Eastvale / Risewell Homes	1	3 / 2.5	3 / 2	1,608	Det. Condo	$649,990	404.22264
		2	3 / 2.5	3 / 2	1,665	2.4 sales/mo	$659,990	$396.39
		3	4 / 3.5	3 / 2	1,879		$739,990	$393.82

IMPROVED RESIDENTIAL SALES SUMMARY CHART (ATTACHED)

Data No.	Project Name Location/Developer	Plan	Room Count	Floors/ Parking	Size (SF)	Product Type / Absorption	Base Sales Price	Price/SF
1A (Subj.)	Ivory at Paradise Knolls, Limonite and Beach Street, Jurupa Valley / Century Communities	1	2 / 2.5	2 / 2	1,148		$496,990	$432.92
		2	3 / 2.5	2 / 2	1,395	Attached	$526,990	$377.77
		3	3 / 2.5	2 / 2	1,490	3.5 sales/mo	$553,990	$371.81
		4	3 / 2.5	2 / 2	1,554		$558,990	$359.71
2A	Serrano Oaks / E of Clay Street, Suth of Limonite Ave, Jurupa Valley / D.R. Horton	1	3 / 2.5	2 / 2	1,502	Row Townhomes	$549,990	$366.17
		2	4 / 2.5	2 / 2	1,600	2.6 sales/mo	$565,990	$353.74
3A	Citrus Lane / Citrus Ave and Highland Ave, Fontana / D.R. Horton	1	3 / 2.5	2 / 2	1,500	Row Townhomes	$514,118	$342.75
		2	4 / 2.5	2 / 2	1,602	3.5 sales/mo	$563,786	$351.93
4A	Cherry Village / SW Cherry Avenue and Rte 66, Fontana / MCO Development	1	2 / 2	2 / 2	1,130	Row Townhomes	$492,990	$436.27
		2	3 / 3	2 / 2	1,630	0.9 sales/mo	$562,880	$345.33
		3	3 / 3.5	2 / 2	1,550		$585,880	$377.99
5A	Emberwood / SW Jackson Street and Indiana Avenue, Riverside / Century Communities	1	3 / 2.5	2 / 2	1,380	Row Townhomes	$582,990	$422.46
		2	3 / 2.5	2 / 2	1,641	2.8 sales/mp	$630,990	$384.52
6A	Pearl at Eastvale Square / NEC Limonite Ave and Scholar Way, Eastvale / Risewell Homes	1	3 / 2.5	3 / 2	1,772	3-Story Row Towns	$633,990	$357.78
		2	3 / 2.5	3 / 2	1,579	2.5 sales/mo	$642,990	$407.21
		3	4 / 3.5	3 / 2	1,780		$658,990	$370.22
7A	Sagecrest / NW Van Buren Boulevard and 91 Freeway, Riverside / Century Communities	1	3 / 2.5	3 / 2	1,444		$582,990	$403.73
		2	3 / 2.5	3 / 2	1,447	3-Story Row Towns	$582,990	$402.90
		3	3 / 3	3 / 2	1,465	3.7 sales/mo	$587,990	$401.36
		4	4 / 4	3 / 2	1,672		$635,990	$380.38

APPRAISER'S QUALIFICATIONS

QUALIFICATIONS OF KITTY S. SIINO, MAI

Education

Bachelor of Arts in Business Administration, Financial Investments, California State University, Long Beach, California (1980)

Post-Graduate Study, Real Estate Development, University of California, Irvine, California

Appraisal Institute Classes: Uniform Standards of Professional Appraisal Practice, A & B; Appraisal Principles; Appraisal Procedures; Basic Income Capitalization; Advanced Income Capitalization; Narrative Report Writing; Advanced Applications, Case Studies. Successfully completed all classes in addition to successfully completing the writing of a Demonstration Report and taking the Comprehensive Exam. Became a Member of the Appraisal Institute in December 1996. Have completed over 100 hours of continuing education through the Appraisal Institute every five years.

Employment

1988 - Present:

Self-Employed Real Estate Appraiser. Duties include the appraisal of various types of properties such as commercial, retail, industrial and vacant land. More complex assignments include easements, right-of-ways and special assessment districts. From 1996 to present, specialized in special assessment districts and community facilities districts appraisals for public entities, including Jurupa Community Services District, Corona Norco Unified School District, City of Corona, City of Chula Vista, City of San Marcos and City of Moreno Valley.

1986-1988:

Project Manager of Development for Ferguson Partners, Irvine, California. Duties included land acquisitions; review of fee appraisals and valuations; analysis of proposed development; planning and design; and management of development, construction and lease-up. The types of properties developed were commercial and industrial. Duties ranged from raw, vacant site development through property management of recently developed projects.

1981 - 1986

Manager of Finance, Construction for Community Development Division, The Irvine Company, Irvine, California. Duties included originating and managing a newly formed division of finance to bridge between the accounting functions and project management functions. Worked with analysis and budgets for Community Development Division. Coordinated with cities in forming new Assessment Districts and Community Facilities Districts to finance major infrastructure improvements. Types of properties were apartments and single-family residential lots on a for sale basis to apartment and homebuilders.

1980 - 1981

Investment Counselor, Newport Equity Funds, Newport Beach, California. Duties included obtaining private financing for residential properties, working with appraisals of properties and analyzing the investments.

Licenses

Real Estate Sales Person, State of California, 1980
Certified General Appraiser, State of California (#AG004793)

Organizations

MAI #11145 - The Appraisal Institute

Public Financing

CASTOFF Meetings, 2006, 2007, 2008, 2009, 2010, 2011, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2022, 2024, 2025 and 2026
Speaker, Mello-Roos & Special Assessment Financing, UCLA Extension Public Policy Program, February 2009, and March 2011

APPENDIX C

SUPPLEMENTAL INFORMATION CONCERNING
JURUPA COMMUNITY SERVICES DISTRICT

The information and expressions of opinion set forth in this Appendix C have been obtained from sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness. Statements contained this Appendix C which involve estimates, forecasts, or matters of opinion, whether or not expressly so described in this Appendix C, are intended solely as such and are not to be construed as representations of facts. The information and expressions of opinion in this Appendix C are subject to change without notice, and neither delivery of this Official Statement nor any sale thereafter of the securities offered by this Official Statement shall under any circumstances create any implication that there has been no change in the affairs of the Services District or in any other information contained in this Official Statement since the date of this Official Statement.

The Jurupa Region

Jurupa Community Services District (the "Services District") encompasses an area of about 25,000 acres located in the northwestern portion of Riverside County approximately 47 miles east of the Los Angeles civic center and four miles west of downtown Riverside. The Services District serves an unincorporated area of Riverside County and the communities of the City of Eastvale and the City of Jurupa Valley.

The Services District is situated within an area identified as the Jurupa Region. The Jurupa Region is bordered on the north and west by Riverside County, on the east by the unincorporated community of Rubidoux. Its southern boundaries vary but are generally north of the Santa Ana River and the unincorporated community of Mira Loma. The Jurupa Region has historically had a predominantly rural to semi-rural setting, which is currently transitioning to residential neighborhoods typical of Southern California.

Services District Organization

The Services District was formed in 1956 under provisions of the Community Services District Law of the State of California (Government Code, Title 6, Division 2). The Services District has latent authority to provide a wide range of governmental services including water, sewerage, refuse disposal, fire protection, park and recreation, street lighting, mosquito abatement, police protection, library and street construction services. The Services District is currently authorized to provide water, sewerage, refuse disposal, street lighting services, and park and recreation services.

Assessed Valuation

Assessed Valuations within the Services District are established by the Riverside County Assessor, except for utility property, which is assessed by the State Board of Equalization.

The following table summarizes the assessed valuation for the Services District for Fiscal Years 2000-2001 to 2022-2023.

JURUPA COMMUNITY SERVICES DISTRICT
Assessed Valuation

Fiscal Year	*Secured*	*Unsecured*	*Homeowners Exemption*	*Assessed Valuation For Revenue Purposes*
2000-2001	$ 2,760,681,295	$162,268,615	$45,689,434	$ 2,968,639,344
2001-2002	3,144,459,413	203,938,006	46,190,967	3,394,588,386
2002-2003	3,616,186,493	229,831,387	49,864,166	3,895,882,046
2003-2004	4,234,076,806	273,929,670	59,430,133	4,567,436,609
2004-2005	5,131,265,591	271,102,562	64,882,439	5,467,250,592
2005-2006	6,682,508,363	309,168,779	69,598,955	7,061,276,097
2006-2007	8,948,118,714	334,229,665	75,430,074	9,357,778,453
2007-2008	11,226,489,285	389,512,067	81,854,795	11,697,856,147
2008-2009	11,407,274,991	457,292,966	88,592,718	11,953,160,675
2009-2010	10,345,290,058	457,986,993	92,837,644	10,803,277,051
2010-2011	10,340,376,355	440,726,102	95,598,096	10,781,102,457
2011-2012	10,540,364,228	460,212,578	96,214,104	11,000,576,806
2012-2013	10,704,732,043	454,922,182	96,109,603	11,159,654,225
2013-2014	11,336,526,916	470,368,986	96,134,935	11,806,895,902
2014-2015	12,506,305,177	457,420,328	96,246,964	12,963,725,505
2015-2016	13,315,486,101	454,557,831	96,251,298	13,770,043,932
2016-2017	14,340,548,828	485,611,516	96,908,400	14,826,160,344
2017-2018	15,308,720,818	507,288,655	98,255,291	15,816,009,473
2018-2019	16,448,160,512	632,460,615	98,464,012	17,120,621,127
2019-2020	17,542,460,309	782,170,135	181,871,067	18,334,617,878
2020-2021	18,831,948,811	751,333,848	188,770,834	19,583,282,659
2021-2022	19,621,252,998	707,756,542	189,279,961	20,329,009,540
2022-2023	20,955,245,004	782,677,606	200,677,731	21,754,665,154

Source: Riverside County Auditor-Controller and California Municipal Statistics, Inc.

Tax Levies and Delinquencies

The Riverside County Tax Collector collects property tax levies for each Fiscal Year on taxable real and personal property in the County as of the preceding January 1, the lien date for property taxes. Unsecured taxes are due on March 1 of each year and become delinquent on August 31. One half of the secured tax levy is due November 1, and becomes delinquent on December 10; the second installment is due February 1, and becomes delinquent on April 10. A ten percent penalty is added to any late installment. On June 30, delinquent properties are sold to the State.

Property owners may redeem properties sold to the State upon payment of delinquent taxes and penalties. Such properties incur a redemption penalty of 1.5% of the tax due per month. Properties may be redeemed under an installment plan by paying current taxes, plus 20% of delinquent taxes for five years. Interest accrues at 1.5% of the tax due per month on the unpaid balance. If no payments have been made on delinquent taxes at the end of five Fiscal Years, the property is deeded to the State. Such properties may thereafter be conveyed to the County Tax Collector to be sold at a public auction as provided by law.

Employment

Residents of the Services District find employment throughout the Riverside-San Bernardino-Ontario Labor Market Area. This labor market area, as defined for reporting purposes by the California Employment Development Department, has boundaries coterminous with those of Riverside and San Bernardino Counties. The following tables set forth certain employment data for the Riverside - San Bernardino-Ontario Metropolitan Statistical Area and the County.

The following table represents the Annual Average Labor Force and Industry Employment for the County for the period from 2021 through 2025.

RIVERSIDE-SAN BERNARDINO-ONTARIO MSA
INDUSTRY EMPLOYMENT & LABOR FORCE - BY ANNUAL AVERAGE

	2021	*2022*	*2023*	*2024*	*2025*
Civilian Labor Force	2,073,400	2,108,400	2,140,500	2,180,300	2,209,100
Civilian Employment	1,868,300	1,951,600	2,049,900	2,078,100	2,093,800
Civilian Unemployment	205,100	156,700	90,700	102,300	115,300
Civilian Unemployment Rate	9.9%	7.4%	4.2%	4.7%	5.2%
	14,100	13,700	13,800	13,200	13,700
Total Farm	1,495,800	1,575,100	1,660,200	1,681,000	1,700,400
Total Nonfarm	1,247,800	1,333,100	1,410,200	1,420,700	1,430,200
Total Private	1,247,800	1,333,100	1,410,200	1,420,700	1,430,200
Goods Producing	202,200	207,700	216,300	215,300	212,900
Mining & Logging	1,300	1,400	1,500	1,500	1,600
Construction	104,900	110,100	114,700	115,400	116,200
Manufacturing	96,000	96,100	100,000	98,500	95,200
Service Providing	1,293,700	1,367,400	1,443,900	1,465,700	1,487,500
Trade, Transportation & Utilities	406,900	443,200	464,900	457,900	456,400
Wholesale Trade	65,600	67,400	69,500	68,900	68,600
Retail Trade	168,800	177,000	181,000	183,000	182,600
Transportation, Warehousing & Utilities	172,500	198,800	214,400	206,000	205,200
Information	12,400	12,500	13,000	13,300	13,000
Financial Activities	44,100	45,200	46,000	44,900	44,100
Professional & Business Services	248,800	254,300	267,900	287,800	306,000
Educational & Health Services	248,800	254,300	267,900	287,800	306,000
Leisure & Hospitality	141,300	160,200	180,900	187,600	185,300
Other Services	40,200	43,600	47,400	49,400	50,700
Government	248,000	242,000	250,000	260,200	270,200
Total, All Industries	1,509,900	1,588,800	1,674,000	1,694,100	1,714,100

Note: Does not include proprietors, self-employed, unpaid volunteers or family workers, domestic workers in households and persons involved in labor-management trade disputes. Employment reported by place of work. Items may not add to total due to independent rounding. The "Total, All Industries" data is not directly comparable to the employment data found in this Appendix C.
Source: State of California, Employment Development Department, March 2025 Benchmark.

The following table summarizes the labor force, employment and unemployment figures for the period from 2021 through 2025 for the County, the State and the nation as a whole.

CITY OF RIVERSIDE,
COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA AND UNITED STATES
Average Annual Civilian Labor Force, Employment and Unemployment

Year and Area	*Labor Force*	*Employment*[2]	*Unemployment*[3]	*Unemployment Rate (%)*
2021				
County of Riverside	1,123,000	1,039,900	83,200	7.4%
State of California	19,013,800	17,619,300	1,394,500	7.3
United States	161,204,000	152,581,000	8,623,000	5.3
2022				
County of Riverside	1,144,000	1,095,300	48,700	4.3
State of California	19,267,400	18,441,400	826,100	4.3
United States	164,287,000	158,291,000	5,996,000	3.6
2023				
County of Riverside	1,168,100	1,112,600	55,500	4.8%
State of California	19,514,600	18,593,600	921,000	4.7
United States	167,116,000	161,037,000	6,080,000	3.6
2024				
County of Riverside	1,187,800	1,124,700	63,100	5.3%
State of California	19,692,800	18,650,700	1,042,200	5.3
United States	168,106,000	161,346,000	6,761,000	4.0
2025				
County of Riverside	1,207,200	1,140,100	67,000	5.6%
State of California	19,823,800	18,738,500	1,085,300	5.5
United States	170,807,000	161,268,000	7,314,000	4.3

Note: Data is not seasonally adjusted.
(1) Annual averages, unless otherwise specified.
(2) Includes persons involved in labor-management trade disputes.
(3) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.
Source: U.S. Department of Labor – Bureau of Labor Statistics; California Employment Development Department, March 2025 Benchmark.

Largest Employers

The following table shows the largest employers located in the County as of Fiscal Year ending June 30, 2025.

LARGEST EMPLOYERS
County of Riverside
(As of June 30, 2025)

Rank	*Name of Business*	*Employees*	*Type of Business*
1.	County of Riverside	25,345	County Government
2.	Amazon	14,317	Online Retailer
3.	State of California	8,398	State Government
4.	Wal-Mart	7,523	Supermarket
5.	Riverside Unified School District	6,562	School District
6.	Moreno Valley Unified School District	6,306	School District
7.	Kaiser Permanente Riverside Medical Center	5,817	Medical Center
8.	Stater Brothers Market	5,145	Supermarket
9.	University of California, Riverside	5,137	University
10.	Eisenhower Medical Center	4,971	Healthcare

Source: County of Riverside Annual Comprehensive Financial Report for the year ending June 30, 2025.

Personal Income

Personal Income is the income that is received by all persons from all sources. It is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance.

The personal income of an area is the income that is received by, or on behalf of, all the individuals who live in the area; therefore, the estimates of personal income are presented by the place of residence of the income recipients.

Total personal income in Riverside County increased by 56.9% between 2014 and 2024. The following tables summarize personal income for Riverside County for 2014 through 2024.

PERSONAL INCOME
Riverside County
2014-2024
(Dollars in Thousands)

Year	*Riverside County*	*Annual Percent Change*
2014	$79,630,223	N/A
2015	84,597,340	6.0%
2016	88,997,439	5.0
2017	92,451,456	3.8
2018	96,994,918	4.7
2019	103,647,288	6.6
2020	115,415,017	10.7
2021	126,651,219	9.3
2022	127,575,613	0.7
2023	133,563,233	4.6
2024	142,967,421	6.8

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The following table summarizes per capita personal income for Riverside County, California and the United States for 2014-2024. This measure of income is calculated as the personal income of the residents of the area divided by the resident population of the area.

PER CAPITA PERSONAL INCOME
Riverside County, State of California and the United States
2014-2024

Year	*Riverside County*	*California*	*United States*
2014	$34,822	$50,617	$46,2892
2015	36,631	53,816	48,068
2016	38,092	55,862	48,974
2017	39,100	58,214	51,006
2018	40,619	60,984	53,311
2019	43,122	64,219	55,567
2020	47,000	70,100	59,151
2021	51,584	77,134	64,692
2022	51,449	77,196	66,298
2023	53,350	81,196	70,002
2024	56,404	86,232	73,204

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The table below presents taxable sales for the years 2021 through 2025 for the County.

TAXABLE SALES
County of Riverside
2021-2025
(Dollars in Thousands)

Year	*Permits*	*Taxable Sales*
2021	264,439	$55,535,196
2022	265,660	62,117,153
2023	270,392	61,331,274
2024	280,169	60,826,953
2025	284,599	61,139,698

Source: Taxable Sales in California, California Department of Tax and Fee Administration for 2021-2025.

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APPENDIX D

SUMMARY OF FISCAL AGENT AGREEMENT

The following is a summary of certain provisions of the Fiscal Agent Agreement not otherwise described in the text of this Official Statement. This summary is not intended to be definitive, and reference is made to the text of the Fiscal Agent Agreement for the complete provisions thereof.

AUTHORITY AND DEFINITIONS

Authority for the Agreement

The Agreement is entered into pursuant to the provisions of the Act and the Resolution.

Agreement for Benefit of Bondowners

The provisions, covenants and agreements set forth in the Agreement to be performed by or on behalf of the Services District and/or the District shall be for the equal benefit, protection and security of the Owners. All of the Bonds, without regard to the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by the Agreement. The Fiscal Agent may become the owner of any of the Bonds with the same rights it would have if it were not the Fiscal Agent.

Definitions

Unless the context otherwise requires, the terms defined in the Agreement shall, for all purposes of the Agreement, of any Supplemental Agreement, and of any certificate, opinion or other document mentioned in the Agreement, have the meanings specified in the Agreement. All references in the Agreement to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of the Agreement, and the words "herein," "hereof," "hereunder" and other words of similar import refer to the Agreement as a whole and not to any particular Article, Section or subdivision of the Agreement.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code.

"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 Services District in carrying out its duties under the Agreement (including, but not limited to, the levying and collection of the Special Taxes) including the fees and expenses of its counsel, an allocable share of the salaries of Services District staff directly related thereto and a proportionate amount of Services District general administrative overhead related thereto, any amounts paid by the Services District from its general funds pursuant to the Agreement , the fees and expenses of the Services District's municipal advisor, if any, and all other costs and expenses of the Services District or the Fiscal Agent incurred in connection with the discharge of their respective duties under the Agreement and, in the case of the Services District, in any way related to the administration of the District.

"Administrative Expense Fund" means the fund by that name established by the Agreement.

"Agreement" means the Agreement, as it may be amended or supplemented from time to time by any Supplemental Agreement adopted pursuant to the provisions of the Agreement.

"Annual Debt Service" means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled, and (ii) the principal amount of the Outstanding Bonds scheduled to be paid.

"Auditor" means the Auditor-Controller of the County of Riverside.

"Authorized Officer" means any officer or employee of the Services District authorized by the Board of Directors to undertake the action referenced in the Agreement as required to be undertaken by an Authorized Officer.

"Board of Directors" means the Board of Directors of the Services District.

"Bond Counsel" means any attorney or firm of attorneys acceptable to the Services District 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 by the Agreement.

"Bond Year" means the period beginning on the Closing Date and ending on September 1, 2027 and thereafter the period beginning on each September 2 and ending on the following September 1.

"Bonds" means, unless otherwise expressly provided, the Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District 2026 Special Tax Bonds, authorized by and at any time Outstanding pursuant to the Act and the Agreement.

"Business Day" means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in the State of California or in any state in which the Fiscal Agent has its Principal Office are authorized or obligated by law or executive order to be closed.

"Closing Date" means the date upon which there is an exchange of the Bonds for the proceeds representing payment of the purchase price of the Bonds by the Original Purchaser.

"Code" means the Internal Revenue Code of 1986, as amended.

"Continuing Disclosure Agreement" means the Continuing Disclosure Agreement between the Services District and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent thereunder, dated as of the Closing Date, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Costs of Issuance" means items of expense payable or reimbursable directly or indirectly by the Services District 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, including but not limited to the preliminary official statement and official statement regarding the Bonds, closing costs, filing and recording fees, initial fees and charges of the Fiscal Agent including its first annual administration fee and the fees of its counsel, expenses incurred by the Services District in connection with the issuance of the Bonds and the establishment of the District, Bond (underwriter's) discount, legal fees and charges, including the fees of Bond Counsel and Disclosure Counsel, municipal advisor's fees, charges for authentication, 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 by the Agreement.

"Debt Service" means the amount of interest and principal payable on the Bonds scheduled to be paid during the period of computation, excluding amounts payable during such period which relate to principal of the Bonds which are scheduled to be retired and paid before the beginning of such period.

"Defeasance Securities" means for, purposes of certain provisions of the Agreement, the following:

(i) Cash;

(ii) United States Treasury Certificates, Notes and Bonds (including State and Local Government Series - "SLGs");

(iii) Direct obligations of the United States Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities;

(iv) Resolution Funding Corporation (REFCORP) obligations; provided that only the interest component of REFCORP strips which have been stripped by request of the Federal Reserve Bank of New York in book-entry form are acceptable;

(v) Pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by S&P (defined below); provided, however, that if the issue is only rated by S&P (*i.e.*, there is no Moody's rating), then the pre-refunded bonds must have been pre-refunded with cash, direct United States or United States guaranteed obligations, or "AAA" rated pre-refunded municipal bonds; and

(vi) Obligations issued by the following agencies which are backed by the full faith and credit of the United States of America:

(a) U.S. Export-Import Bank
Direct obligations or fully guaranteed certificates of beneficial ownership

(b) Federal Financing Bank

(c) General Services Administration
Participation certificates

(d) United States Maritime Administration
Guaranteed Title XI financing

(e) United States Department of Housing and Urban Development
Project notes
Local Authority Bonds
New Communities Debentures - United States government guaranteed debentures
United States Public Housing Notes and Bonds - United States government guaranteed public housing notes and bonds.

"District" means Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District, County of Riverside, State of California.

"Facilities" means the public facilities which are to be financed with the proceeds of the sale of the bonds of the District as described in Resolution No. 3357 adopted by the Board of Directors on November 13, 2023.

"Federal Securities" means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein:

(i) Cash; and

(ii) Direct general obligations of (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America and CATS and TIGRS),

or obligations, the payment of principal of and interest on which is unconditionally guaranteed by the United States of America.

"Fiscal Agent" means U.S. Bank Trust Company, National Association, the Fiscal Agent appointed by the Services District, acting as an independent fiscal agent with the duties and powers provided in the Agreement, 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 by the Agreement.

"Independent Financial Consultant" means a firm of certified public accountants, a financial consulting firm, a consulting engineering firm or engineer which is not an employee of, or otherwise controlled by, the Services District, or the Special Tax Consultant.

"Information Services" means the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board at *www.emma.msrb.org*; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the Services District may designate in an Officer's Certificate delivered to the Fiscal Agent.

"Interest Account" means the account by that name established by the Fiscal Agent in the Bond Fund pursuant to the Agreement.

"Interest Payment Dates" means March 1 and September 1 of each year, commencing March 1, 2027.

"Investment Earnings" means all interest earned and any gains and losses on the investment of moneys in any fund or account created by the Agreement excluding interest earned and gains and losses on the investment of moneys in the Rebate Fund.

"Maximum Annual Debt Service" means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds.

"Moody's" shall mean Moody's Investors Service, Inc., a national rating service with offices in New York, New York.

"Officer's Certificate" means a written certificate of the Services District signed by an Authorized Officer of the Services District.

"Ordinance" means any ordinance of the Services District or resolution of the Board of Directors levying the Special Taxes.

"Original Purchaser" means the first purchaser of the Bonds from the Services District.

"Outstanding," when used as of any particular time with reference to the 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 called for redemption which, for the reasons specified in the Agreement, are no longer entitled to any benefit under the Agreement other than the right to receive payment of the redemption price therefor;

(iii) Bonds paid or deemed to have been paid within the meaning of the Agreement; and

(iv) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Services District and authenticated by the Fiscal Agent pursuant to the Agreement or any Supplemental Agreement.

"Owner" means any person who shall be the registered owner of any Outstanding Bond.

"Parity Bonds" means bonds issued by the District for the purpose of accomplishing the defeasance and redemption of all or a portion of the Outstanding Bonds pursuant to the Agreement.

"Permitted Investments" means any of the following which at the time of investment are legal investments under the laws of the State of California for the money proposed to be invested therein:

(i) Any Defeasance Securities.

(ii) Federal Housing Administration debentures.

(iii) Direct obligations of the following federal agencies which are not fully guaranteed by the faith and credit of the United States of America:

(a) Federal Home Loan Mortgage Corporation ("FHLMCs") – participation certificates (excluding stripped mortgage securities which are purchased at prices exceeding their principal amounts) and senior debt obligations.

(b) Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) – consolidated system-wide bonds and notes.

(c) Federal Home Loan Banks – consolidated debt obligations.

(d) Federal National Mortgage Association ("FNMAs") – senior debt obligations and mortgage backed securities (excluding stripped mortgage securities which are purchased at prices exceeding their principal amounts).

(e) Financing Corporation (FICO) – debt obligations.

(f) Resolution Funding Corporation – debt obligations.

(iv) Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank the short-term obligations of which are rated "A-1" or better by S&P.

(v) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least $5 million.

(vi) Commercial paper (having original maturities of not more than 30 days) rated "A-1" by S&P and "Prime-1" by Moody's.

(vii) Money market funds rated in the highest rating category by S&P and Moody's, including funds for which the Fiscal Agent, its parent holding company, if any, or any affiliates or subsidiaries of the Fiscal Agent provide investment advisory or other management services.

(viii) "State Obligations," which means:

(a) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated "A3" by Moody's and "A" by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(b) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (a) above and rated "A-1+" by S&P and "MIG-1" by Moody's.

(c) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (a) above and rated "AA" or better by S&P and "Aa" or better by Moody's.

(ix) Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:

(a) the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(b) the municipal obligations are secured by cash or United States Treasury Obligations (as defined in paragraph (i) of the definition of Defeasance Obligations) which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(c) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification");

(d) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

(e) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(f) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(x) Repurchase agreements with (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "AA" by S&P and Moody's; or (2) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "AA" by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated "AA" or better by S&P and Moody's, provided that:

(a) The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach);

(b) The Fiscal Agent or a third party acting solely as agent therefor or for the Services District (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

(c) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(d) All other requirements of S&P and Moody's in respect of repurchase agreements shall be met;

(e) The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P or "A3" by Moody's, as appropriate, the provider must, at the direction of the Services District or the Fiscal Agent, within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the Services District or the Fiscal Agent.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (a) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively.

(xi) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt is rated at least "AA (stable)" by S&P and "Aa (stable)" by Moody's, or, in the case of a monoline financial guaranty insurance company, the claims paying ability of the guarantor is rated at least "AAA (stable)" by S&P and "Aaa (stable)" by Moody's; provided that, by the terms of the investment agreement:

(a) interest payments are to be made to the Fiscal Agent at times and in amounts as necessary to pay debt service on the Bonds;

(b) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the Services District and the Fiscal Agent agree under the Agreement to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(c) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

(d) the Services District or the Fiscal Agent receives the opinion of domestic counsel (which opinion shall be addressed to the Services District) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its

terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Services District;

(e) the investment agreement shall provide that if during its term

(i) the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3," respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the Services District, the Fiscal Agent or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims, the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and

(ii) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3," respectively, the provider must, at the direction of the Services District or the Fiscal Agent, within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Services District or Fiscal Agent, and

(f) the investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession); and

(g) the investment agreement must provide that if during its term

(i) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Services District or the Fiscal Agent, be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Services District or the Fiscal Agent, as appropriate, and

(ii) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Services District or the Fiscal Agent, as appropriate.

(xii) the Local Agency Investment Fund in the State Treasury of the State of California as permitted by the State Treasurer pursuant to Section 16429.1 of the California Government Code.

"Principal Account" means the account by that name established by the Fiscal Agent pursuant to the Agreement.

"Principal Office" means with respect to the payment, registration, surrender, exchange or transfer of any Bond or Bonds, the principal corporate trust operations office or agency of the Fiscal Agent in St. Paul, Minnesota, or such other offices as the Fiscal Agent may designate.

"Proceeds," when used with reference to the Bonds, means the aggregate principal amount of the Bonds, plus accrued interest and premium, if any, less original issue discount, if any.

"Rates and Method of Apportionment" means the Rates and Method of Apportionment of Special Tax for Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District.

"Rebate Certificate" means the certificate delivered by the Services District upon the delivery of the Bonds relating to Section 148 of the Code, or any functionally similar replacement certificate.

"Rebate Fund" means the fund by that name established by the Agreement.

"Record Date" means the fifteenth (15th) day of the month next preceding the applicable Interest Payment Date whether or not such day is a Business Day.

"Regulations" means the temporary and permanent regulations of the United States Department of the Treasury promulgated under the Code.

"Representation Letter" means the representation letter which the Services District has delivered to The Depository Trust Company ("DTC") with respect to the utilization of the book-entry system maintained by DTC for the issuance and registration of bonds.

"Reserve Fund" means the fund by that name established by the Agreement.

"Reserve Fund Replenishment Obligation" means an obligation of the Services District to levy an additional amount of Special Taxes on parcels of taxable property in the District to replenish the Reserve Fund as a result of the transfer of moneys from the Reserve Fund to the Interest Account and the Principal Account to make up a deficiency in the amount on deposit in and available for transfer from the Special Tax Fund to the Interest Account and the Principal Account pursuant to the Agreement.

"Reserve Requirement" means on any date in any Bond Year the lesser of (i) ten percent (10%) of the original principal amount of the Bonds, (ii) Maximum Annual Debt Service on the Bonds or (iii) 125 percent of average Annual Debt Service on the Bonds, as determined by the Services District.

"Resolution" means Resolution No. 3542 adopted by the Board of Directors on November 9, 2026.

"Securities Depositories" means The Depository Trust Company, 55 Water Street, 50th Floor, New York, New York, 10041-0099, Call Notification Department, Fax (212) 855-7232; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other securities depositories as the Services District may designate in an Officer's Certificate delivered to the Fiscal Agent.

"Services District" means Jurupa Community Services District.

"Services District Facilities" means the master plan water system facilities, including capacity in existing facilities, and master plan sewer system facilities, including capacity in existing facilities and sewage treatment and disposal capacity, of the Services District, the construction and acquisition of which are to be financed with the Proceeds deposited in the Services District Facilities Account.

"Services District Facilities Account" means the account by that name established in the Improvement Fund by the Agreement.

"Special Taxes" or "Special Tax" means the special taxes levied by the Board of Directors on parcels of taxable property for the Debt Service and Facilities Special Tax Requirement within the District pursuant to the Rates and Method of Apportionment, the Act and the Agreement.

"Special Tax Consultant" means an engineer or financial consultant or other such person or firm with expertise in the apportionment and levy of special taxes in community facilities districts which is employed by the Services District to assist the Services District in levying the Special Taxes.

"Special Tax Fund" means the fund by that name established by the Agreement.

"Special Tax Prepayments" means amounts received by the Services District as prepayments of all or a portion of the Special Tax obligation of a parcel of property in the District.

"Special Tax Prepayments Account" means the account by that name established by the Fiscal Agent in the Bond Fund pursuant to the Agreement.

"Special Tax Revenues" means the proceeds of the Special Taxes received by the Services District, including any scheduled 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 in the amount of said lien and interest and penalties thereon.

"S&P" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, a national rating service with offices in New York, New York.

"Supplemental Agreement" means an agreement amending and supplementing the Agreement as permitted by the Agreement.

"Surplus Account" means the account by that name established in the Special Tax Fund by the Agreement.

IMPROVEMENT FUND; SPECIAL TAX FUND;
ADMINISTRATIVE EXPENSE FUND; COSTS OF ISSUANCE FUND

Improvement Fund

(A) Establishment of Improvement Fund. The Agreement establishes, as a separate fund to be held by the Fiscal Agent, the "Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District Special Tax Bonds Improvement Fund." The Agreement establishes as a separate account in the Improvement Fund, to be held by the Fiscal Agent, the "Services District Facilities Account" to the credit of which the deposit shall be made as required by the Agreement. Moneys in the Improvement Fund, and all accounts therein, shall be held by the Fiscal Agent for the benefit of the Services District, as provided below, and shall be disbursed, except as otherwise provided in the Agreement, for the payment or reimbursement of the costs of the design, acquisition and construction of the Facilities as provided below.

(B) Procedure for Disbursement.

(1) Services District Facilities Account. Disbursements from the Services District Facilities Account shall be made by the Fiscal Agent upon receipt of an Officer's Certificate which shall:

(a) be identified as a payment requisition and be sequentially numbered, *i.e.*, "Requisition No. __," (except that no numbering shall be required if the Officer's Certificate is a requisition for the full amount on deposit in the Services District Facilities Account);

(b) set forth the amount required to be disbursed, the purpose for which the disbursement is to be made and the person to which the disbursement is to be paid; and

(c) certify that no portion of the amount then being requested to be disbursed was set forth in any Officer's Certificate previously filed with the Fiscal Agent requesting disbursement, and that the amount being requested is an appropriate disbursement from the Services District Facilities Account.

(C) Investment. Moneys in the Improvement Fund, and each account therein, shall be invested and deposited in accordance with the Agreement. Investment Earnings from amounts on deposit in the Services District Facilities Account shall be retained by the Fiscal Agent in such account to be used for the purposes of such account.

(D) Closing of Fund. Upon the filing of an Officer's Certificate stating that the portions of the Facilities which are to be financed with the moneys on deposit in the Services District Facilities Account have been completed and that all costs of such portions of the Facilities have been paid or are not required to be paid from the Improvement Fund and all accounts therein, and further stating that moneys on deposit in the Improvement Fund, and all accounts therein, are not needed to complete such portions of the Facilities or reimburse the cost thereof, the Fiscal Agent shall transfer the amount, if any, remaining in the Improvement Fund and all accounts therein to the Principal Account of the Bond Fund to be used to pay the principal of the Bonds, and the Fiscal Agent shall close the Improvement Fund and the accounts therein.

(E) Reliance on Certificates. Upon receipt of an Officer's Certificate delivered pursuant to the Agreement, the Fiscal Agent is authorized to act thereon without further inquiry and shall not be responsible for the accuracy of the statements made in such Officer's Certificate or the application of the funds disbursed pursuant thereto, and shall be absolutely protected and incur no liability in relying on such Officer's Certificate.

Special Tax Fund

(A) Establishment of Special Tax Fund. The Agreement establishes, as a separate account to be held by the Fiscal Agent, the "Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District Special Tax Bonds Special Tax Fund" to the credit of which the Services District shall deposit, within ten (10) Business Days after receipt, the Special Tax Revenues of the District received by the Services District. The Agreement also establishes in the Special Tax Fund, a separate account to be held by the Fiscal Agent, called the "Surplus Account," to the credit of which moneys shall be deposited as provided in the Agreement. Moneys in the Special Tax Fund shall be held by the Fiscal Agent for the benefit of the Services District and the Owners of the Bonds, shall be disbursed as provided below and, pending disbursement, shall be subject to a lien in favor of the Owners of the Bonds.

Notwithstanding the foregoing, any amounts received by the Services District which constitute Special Tax Prepayments shall be transferred by the Services District immediately upon receipt to the Fiscal Agent for deposit by the Fiscal Agent in the Special Tax Prepayments Account established pursuant to the Agreement.

(B) Disbursements. As soon as practicable after the receipt from the Services District of any Special Tax Revenues, but no later than ten (10) Business Days after such receipt, the Fiscal Agent shall withdraw from the Special Tax Fund and deposit in the Administrative Expense Fund the amount estimated by the Services District, in an Officer's Certificate delivered to the Fiscal Agent (upon which the Fiscal Agent may conclusively rely), to be sufficient, together with the amount then on deposit in the Administrative Expense Fund, to pay the Administrative Expenses during the current Fiscal Year; provided, however, that the amount deposited in the Administrative Expense Fund prior to the deposits to the Interest Account and the Principal Account of the Bond Fund, as provided below, shall not exceed $40,000 for any Fiscal Year. From the amounts then remaining on deposit in the Special Tax Fund, the Fiscal Agent shall, as soon as such amounts are sufficient, deposit in the Reserve Fund the amounts, if any, which the Services District shall direct in an Officer's Certificate delivered to the Fiscal Agent (upon which the Fiscal Agent may conclusively rely), to be withdrawn from the Special Tax Fund to make the amount on deposit therein equal to the Reserve Requirement. The amount, if any, to be withdrawn from such fund and deposited in the Reserve Fund shall be determined for the Services District by

the Special Tax Consultant and shall be the amount to be deposited in the Reserve Fund as a result of delinquencies in the payment of Special Taxes levied on parcels of property in the District. Thereafter, on or before each Interest Payment Date, the Fiscal Agent shall deposit in the Interest Account and the Principal Account of the Bond Fund the amounts required to pay the interest on and the principal of the Bonds on such Interest Payment Date, as provided in the Agreement. Notwithstanding the preceding provisions of this paragraph, if the amount of the Special Tax Revenues collected by the Services District for any Fiscal Year is less than the total amount of the Special Taxes which were levied on parcels of taxable property in the District for such Fiscal Year, the Services District shall not direct the Fiscal Agent to transfer any amount from the Special Tax Fund for deposit in the Reserve Fund, but shall instead direct the Fiscal Agent to deposit the entire amount remaining in such fund, after the appropriate transfer to the Administrative Expense Fund, to the Interest Account and the Principal Account as provided in the Agreement.

Notwithstanding the preceding provisions of the Agreement, if prior to the September 1 Interest Payment Date in any Bond Year the Services District determines that Special Tax Revenues will be sufficient to enable the Fiscal Agent to deposit in the Reserve Fund the amount, if any, which is necessary to make the amount on deposit therein equal to the Reserve Requirement and deposit in the Bond Fund the full amount required for deposit to the Interest Account and the Principal Account to pay the interest on and principal of the Bonds on such Interest Payment Date, the Services District may instruct the Fiscal Agent in an Officer's Certificate, upon which the Fiscal Agent may conclusively rely, to deposit an additional amount in the Administrative Expense Fund before making the required deposit to the Bond Fund, and the Fiscal Agent shall deposit such additional amount in the Administrative Expense Fund before depositing any amount to the Reserve Fund or the Bond Fund.

On or before the March 1 Interest Payment Date in each Bond Year, if the amount of other moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on the Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account to the extent of moneys on deposit therein and available for transfer, to and deposit such moneys in the Interest Account of the Bond Fund in an amount not to exceed the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund and available for transfer, to pay the full amount of the interest on the Bonds which is due and payable on such Interest Payment Date. On or before the September 1 Interest Payment Date in each Bond Year, if the amount of other moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on and principal of the Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account of the Special Tax Fund to the extent of moneys on deposit therein and available for transfer, to and deposit such moneys in the Interest Account and the Principal Account in amounts not to exceed the amount of the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund, and available for transfer, to pay the full amount of the interest on and principal of the Bonds which is due and payable on such Interest Payment Date. On or before May 30 of each year, commencing on May 30, 2027, the Fiscal Agent shall notify the Services District of the amounts which are then on deposit in the Surplus Account and of the aggregate amount of the principal of and interest on the Bonds which will become due and payable on March 1 and September 1 of the following calendar year.

On September 2 of each year, beginning on September 2, 2027, the amounts, if any, on deposit in the Special Tax Fund (including the amounts on deposit in the Surplus Account therein), together with the amount then on deposit in the Principal Account, but not the amount on deposit in the Interest Account or the Special Tax Prepayments Account, as determined by the Services District, shall not exceed the greater of (i) one year's earnings on such amounts, or (ii) one-twelfth (1/12th) of Annual Debt Service for the then current Bond Year. If on September 2 of any year the amount on deposit in the Special Tax Fund (including such accounts), together with the amount then on deposit in the Principal Account, exceeds the maximum amount allowable pursuant to the preceding sentence, as determined by the Services District and communicated in an Officer's Certificate delivered to the Fiscal Agent (upon which the Fiscal Agent may conclusively rely), such excess amount shall be transferred from the Special Tax Fund to and deposited in the Reserve Fund to the extent that the amount on deposit therein is less than the Reserve Requirement, and to the extent that such deficiency in the Reserve Fund is attributable to a transfer or transfers of an amount or amounts from the Reserve Fund to the Interest Account

and/or the Principal Account as a result of a deficiency in amount of moneys on deposit in the Special Tax Fund. Any such excess remaining in the Special Tax Fund after any such amount is transferred to the Reserve Fund shall be transferred from the appropriate accounts, as communicated in an Officer's Certificate delivered to the Fiscal Agent (upon which the Fiscal Agent may conclusively rely), and deposited in the Administrative Expense Fund. For purposes of the Officer's Certificates delivered to the Fiscal Agent pursuant to this paragraph, on September 2 of each year, after any such excess amount has been transferred as provided in the Agreement, the amount on deposit in the Special Tax Fund (including all accounts and sub-accounts therein), together with the amount then on deposit in the Principal Account, shall not exceed in the aggregate the greater of (i) one year's earnings thereon, or (ii) one-twelfth (1/12th) of Annual Debt Service for the then current Bond Year.

(C) Investment. Moneys in the Special Tax Fund shall be invested and deposited in accordance with the Agreement. Investment Earnings shall be retained in the Special Tax Fund to be used for the purposes thereof.

Administrative Expense Fund

(A) Establishment of Administrative Expense Fund. The Agreement establishes, as a separate account to be held by the Fiscal Agent, the "Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District Special Tax Bonds Administrative Expense Fund" to the credit of which deposits shall be made as required by the Agreement. Moneys in the Administrative Expense Fund shall be held by the Fiscal Agent for the benefit of the Services District, and shall be disbursed as provided below.

(B) Disbursement. Amounts in the Administrative Expense Fund shall be withdrawn by the Fiscal Agent and paid to the Services District or its order upon receipt by the Fiscal Agent of an Officer's Certificate stating the amount to be withdrawn, that such amount is to be used to pay an Administrative Expense (or a Cost of Issuance) and the nature of such Administrative Expense (or Cost of Issuance).

Annually, not later than the last day of each Fiscal Year, the Fiscal Agent shall withdraw any amount then remaining in the Administrative Expense Fund that has not been allocated by an Officer's Certificate received by the Fiscal Agent from the Services District to pay Administrative Expenses which are expected to be incurred in the succeeding Fiscal Year prior to the receipt by the Services District of Special Tax Revenues for such succeeding Fiscal Year and transfer such amount to the Special Tax Fund.

(C) Investment. Subject to the provisions of the Agreement, moneys in the Administrative Expense Fund shall be invested and deposited in accordance with the Agreement. Investment Earnings shall be retained by the Fiscal Agent in the Administrative Expense Fund to be used for the purposes of such fund.

Costs of Issuance Fund

(A) Establishment of Costs of Issuance Fund. The Agreement establishes, as a separate account to be held by the Fiscal Agent, the "Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District Special Tax Bonds Costs of Issuance Fund" to the credit of which a deposit shall be made as required by the Agreement. Moneys in the Costs of Issuance Fund shall be held by the Fiscal Agent and shall be disbursed as provided in the Agreement for the payment or reimbursement of Costs of Issuance.

(B) Disbursement. Amounts in the Costs of Issuance Fund shall be disbursed to pay Costs of Issuance, as set forth in a requisition containing respective amounts to be paid to the designated payees, signed by an Authorized Officer and delivered to the Fiscal Agent on the Closing Date. The Fiscal Agent shall pay all 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 requisition, or upon receipt of an Officer's Certificate requesting payment of a Cost of Issuance not listed on the initial requisition delivered to the Fiscal Agent on the Closing Date. The Fiscal Agent shall maintain the Costs of Issuance Fund for a period of ninety (90) days from the Closing Date and shall then transfer and deposit any moneys remaining therein,

including any Investment Earnings thereon, to the Services District Facilities Account and the Fiscal Agent shall close the Costs of Issuance Fund.

(C) Investment. Moneys in the Costs of Issuance Fund shall be invested and deposited in accordance with the Agreement. Investment Earnings shall be retained by the Fiscal Agent in the Costs of Issuance Fund to be used for the purposes of such fund.

SPECIAL TAX REVENUES; BOND FUND;
RESERVE FUND

Pledge of Special Tax Revenues

The Bonds shall be secured by a first and prior pledge of and lien upon (which shall be perfected in the manner and to the extent provided in the Agreement) all of the Special Tax Revenues (except the amount of $40,000 which will be deposited in the Administrative Expense Fund for each Fiscal Year pursuant to the Agreement, and all moneys deposited in the Principal Account and the Interest Account of the Bond Fund and all moneys deposited in the Special Tax Fund and the Reserve Fund. The Bonds shall be equally secured by a pledge of and lien upon the Special Tax Revenues and such moneys without priority for number, date of Bond, date of execution or date of delivery; and the payment of the interest on and principal of the Bonds and any premium upon the redemption of any thereof shall be and is secured by a first and prior pledge of and lien upon the Special Tax Revenues and such moneys. The Special Tax Revenues and all moneys deposited into such funds and accounts are dedicated by the Agreement in their entirety to the payment of the principal of the Bonds, and interest and any premium on, the Bonds, as provided in the Agreement and in the Act, until all of the Bonds have been paid and retired or until moneys or Defeasance Securities have been set aside irrevocably for that purpose in accordance with the Agreement.

Bond Fund

(A) Deposits. The Agreement establishes, as a separate account to be held by the Fiscal Agent, the "Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District Special Tax Bonds Bond Fund" to the credit of which deposits shall be made as required by the Agreement and any other provision of the Agreement or the Act. The Agreement also establishes in the Bond Fund, as separate accounts to be held by the Fiscal Agent, the "Interest Account" and the "Principal Account." The Agreement also establishes in the Bond Fund, as a separate account to be held by the Fiscal Agent, the "Special Tax Prepayments Account" to the credit of which deposits shall be made as required by the Agreement. Moneys in the Bond Fund shall be held by the Fiscal Agent for the benefit of the Owners of the Bonds, shall be disbursed for the payment of the principal of, and interest and any premium on, the Bonds as provided below, and, pending such disbursement, shall be subject to a lien in favor of the Owners of the Bonds.

(B) Disbursements.

(1) Bond Fund Disbursements. On or before each Interest Payment Date, the Fiscal Agent shall transfer from the Special Tax Fund (including the Surplus Account therein) and deposit into the following respective accounts in the Bond Fund the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Special Tax Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) Interest Account. On or before each Interest Payment Date, the Fiscal Agent shall deposit in the Interest Account the amount required to cause the aggregate amount on deposit in the Interest Account to equal the amount of interest becoming due and payable on the Bonds on such date. No deposit need be made into the Interest Account on any Interest Payment Date if the amount on deposit therein is at least equal to the interest becoming due and

payable on the Bonds on such date. All moneys in the Interest Account shall be used and withdrawn by the Fiscal Agent solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity). All amounts on deposit in the Interest Account on the first day of any Bond Year, to the extent not required to pay any interest then having become due and payable on the Outstanding Bonds shall be withdrawn therefrom by the Fiscal Agent and transferred, as directed by an Officer's Certificate (upon which direction the Fiscal Agent may conclusively rely), to the Surplus Account; provided that the Services District shall not direct the Fiscal Agent to make any deposit in the Surplus Account if there exists a Reserve Fund Replenishment Obligation.

(b) Principal Account. On or before each Interest Payment Date which occurs on September 1, the Fiscal Agent shall deposit in the Principal Account the amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of the Bonds becoming due and payable on such Interest Payment Date pursuant to the Agreement, or the redemption price of the Bonds (consisting of the principal amount thereof and any applicable redemption premium) required to be redeemed on such date pursuant to any of the provisions of the Agreement. All moneys in the Principal Account shall be used and withdrawn by the Fiscal Agent solely for the purpose of (i) paying the principal of the Bonds at the maturity thereof, or (ii) paying the principal of and premium (if any) on any Bonds upon the redemption thereof pursuant to the Agreement. All amounts on deposit in the Principal Account on the first day of any Bond Year, to the extent not required to pay the principal of any Outstanding Bonds then having become due and payable shall be withdrawn therefrom by the Fiscal Agent and transferred as directed by an Officer's Certificate (upon which direction the Fiscal Agent may conclusively rely), to the Surplus Account; provided that the Services District shall not direct the Fiscal Agent to make any deposit in the Surplus Account if there exists a Reserve Fund Replenishment Obligation.

On the first Business Day following each Interest Payment Date, the Fiscal Agent shall transfer any moneys remaining on deposit in the Bond Fund (including the Interest Account and the Principal Account) other than moneys on deposit in the Special Tax Prepayments Account as directed by an Officer's Certificate (upon which direction the Fiscal Agent may conclusively rely), to the Surplus Account; provided that the Services District shall not direct the Fiscal Agent to make any deposit in the Surplus Account if there exists a Reserve Fund Replenishment Obligation.

In the event that moneys on deposit in the Special Tax Fund, including moneys on deposit in the Surplus Account, will be insufficient on any Interest Payment Date for the Fiscal Agent to deposit the required amounts in the Interest Account and the Principal Account, as provided above, the Fiscal Agent shall deposit the available funds first to the Interest Account up to the full amount required to cause the aggregate amount on deposit therein to equal the amount of interest becoming due and payable on the Bonds on the Interest Payment Date, and shall then deposit the remaining available funds in the Special Tax Fund, including funds on deposit in the Surplus Account, to the Principal Account up to the full amount required to cause the aggregate amount on deposit therein to equal the amount, if any, of principal becoming due and payable on the Bonds on the Interest Payment Date. If, after making such deposits to the Interest Account and the Principal Account, and after transferring moneys from the Reserve Fund to such accounts, as provided in the Agreement, the amount on deposit in the Principal Account is insufficient to pay the full amount of the principal of each of the Bonds which is to be redeemed on the Interest Payment Date, the Fiscal Agent shall make a prorated payment of the principal of each of such Bonds as specified in an Officer's Certificate provided to the Fiscal Agent.

On September 2 of each year, beginning on September 2, 2027, the amount, if any, on deposit in the Principal Account, together with the amounts then on deposit in the Special Tax Fund (including the Surplus Account therein), shall not exceed the greater of (i) one year's earnings on such amounts, or (ii) one-twelfth (1/12th) of Annual Debt Service for the then current Bond Year. If on September 2 of any year the amount on deposit in the Principal Account, together with the amounts then on deposit in the Special Tax Fund, exceeds the maximum amount allowable pursuant to the preceding sentence, the excess shall be transferred by the Fiscal Agent, as directed in an Officer's Certificate (upon which the Fiscal Agent may conclusively rely), to the Reserve Fund to the extent that the amount on deposit therein is less than the Reserve Requirement, and any such excess remaining thereafter shall be transferred by the Fiscal Agent to the Administrative Expense Fund. On September 2 of each year, after any such excess amount has been transferred as provided in the Agreement, the amount on deposit in the Principal Account, together with the amount then on deposit in the Special Tax Fund, shall not exceed the greater of (i) one year's earnings thereon, or (ii) one-twelfth (1/12th) of Annual Debt Service for the then current Bond Year.

(2) Special Tax Prepayments Account Deposits and Disbursements. Within ten (10) Business Days after receiving a Special Tax Prepayment, the Services District shall deliver the amount thereof to the Fiscal Agent, together with an Officer's Certificate notifying the Fiscal Agent that the amount being delivered is a Special Tax Prepayment which is to be deposited in the Special Tax Prepayments Account. Upon receiving a Special Tax Prepayment from the Services District and such an Officer's Certificate, the Fiscal Agent shall deposit the amount of the Special Tax Prepayment in the Special Tax Prepayments Account. Such an Officer's Certificate may be combined with the Officer's Certificate which the Services District is required to deliver to the Fiscal Agent pursuant to the Agreement. A portion of the moneys on deposit in the Special Tax Prepayments Account shall be transferred by the Fiscal Agent, upon receipt of an Officer's Certificate directing such transfer and specifying the amount to be transferred (upon which the Fiscal Agent may conclusively rely), to the Principal Account on the next date for which notice of the redemption of the Bonds can timely be given under the Agreement and shall be used to redeem the Bonds on the redemption date selected in accordance with the Agreement. The portion of the moneys on deposit in the Special Tax Prepayments Account representing funded interest on a portion of the Outstanding Bonds shall be transferred by the Fiscal Agent, upon receipt of an Officer's Certificate directing such transfer and specifying the amount to be transferred (upon which the Fiscal Agent may conclusively rely), to the Interest Account on or before each Interest Payment Date prior to and including the Interest Payment Date on which the redemption of such Bonds will occur. Pending such transfers, the moneys on deposit in the Special Tax Prepayments Account shall be invested in Permitted Investments of the type and at such yield as Bond Counsel may determine is necessary to preserve the exclusion of interest on the Bonds from gross income for purposes of federal income taxation. Investment Earnings from such Permitted Investments shall be retained by the Fiscal Agent in the Special Tax Prepayments Account.

Amounts in the Bond Fund, including all accounts therein, shall also be withdrawn and deposited in the Rebate Fund as provided in the Agreement.

(C) Investment. Moneys in the Bond Fund, including all accounts and sub-accounts therein, shall be invested and deposited in accordance with the Agreement. Investment Earnings shall be retained in the Bond Fund, except to the extent they are required to be deposited by the Fiscal Agent in the Rebate Fund as provided in the Agreement. Investment earnings with respect to moneys in the Special Tax Prepayments Account shall be retained therein as specified in the Agreement.

Reserve Fund

(A) Establishment of Fund. The Agreement establishes, as a separate account to be held by the Fiscal Agent, the "Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District Special Tax Bonds Reserve Fund" to the credit of which a deposit shall be made as required by the

Agreement, which deposit is equal to the Reserve Requirement, and to which deposits shall be made as provided in the Agreement. Moneys in the Reserve Fund shall be held by the Fiscal Agent for the benefit of the Owners of the Bonds as a reserve for the payment of the principal of and interest and any premium on the Bonds and shall be subject to a lien in favor of the Owners of the Bonds.

(B) Use of Fund. Except as otherwise provided in the Agreement, all amounts on deposit in the Reserve Fund shall be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Interest Account and the Principal Account of the Bond Fund in the event of any deficiency at any time in either of such accounts of the amount then required for payment of the principal of and interest and any premium on the Bonds or, in accordance with the provisions of the Agreement, for the purpose of redeeming Bonds.

(C) Transfer Due to Deficiency in Interest and Principal Accounts. Whenever transfer is made from the Reserve Fund to the Interest Account or the Principal Account due to a deficiency in either such account, the Fiscal Agent shall provide written notice thereof to the Services District.

(D) Transfer of Excess of Reserve Requirement. Whenever, on any September 2, the total of the amount in the Reserve Fund, less Investment Earnings resulting from the investment of the funds therein which pursuant to the Agreement must be rebated to the United States, exceeds the then applicable Reserve Requirement, the Fiscal Agent shall provide written notice to the Services District of the amount of the excess. Upon receiving direction by an Officer's Certificate (upon which the Fiscal Agent may conclusively rely), the Fiscal Agent shall, subject to the requirements of the Agreement, transfer an amount from the Reserve Fund which will reduce the amount on deposit therein to an amount equal to the Reserve Requirement to the Interest Account and the Principal Account to be used for the payment of the interest on and principal of the Bonds on the next succeeding Interest Payment Date in accordance with the Agreement. After each such transfer, the Services District shall allocate such excess in the Reserve Fund, as determined by the Special Tax Consultant, as a credit upon the amount of the Special Taxes which will be levied on parcels of taxable property in the succeeding Fiscal Year to pay Annual Debt Service; provided that there shall be deducted from the allocation an amount equal to the balance of the Reserve Fund Replenishment Obligation, if any.

(E) Transfer When Balance Exceeds Outstanding Bonds. 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, the Fiscal Agent shall, upon receiving direction by an Officer's Certificate (upon which the Fiscal Agent may conclusively rely), transfer the amount in the Reserve Fund to the Interest Account and the Principal Account to be applied, on the next succeeding Interest Payment Date, to the payment and redemption, in accordance with the Agreement, as applicable, of all of the Outstanding Bonds. In the event that the amount available to be so transferred from the Reserve Fund to the Interest Account and the Principal Account exceeds the amount required to pay and redeem the Outstanding Bonds, the excess shall be transferred to the Services District to be used for any lawful purpose of the Services District.

(F) Transfers on Payment of Special Tax Obligations. Whenever the Services District receives a Special Tax Prepayment for a lot or parcel of property within the District, the Services District shall by an Officer's Certificate notify the Fiscal Agent thereof and of the amount by which the Reserve Fund is to be reduced and which is transferable from the Reserve Fund to the Principal Account of the Bond Fund, which amount shall be specified in the Officer's Certificate. Each such Officer's Certificate shall be accompanied by a report of an Independent Financial Consultant verifying the accuracy of the calculation of the amount to be transferred from the Reserve Fund to the Principal Account ("Verification"). Upon receipt of each such Officer's Certificate and Verification, upon which the Fiscal Agent may conclusively rely, the Fiscal Agent shall at such time as the amount of such Special Tax Prepayment will be used to redeem Bonds, as provided in the Agreement, transfer the amount specified in such Officer's Certificate to the Principal Account and use such amount, together with the amount of such Special Tax Prepayment, to redeem Bonds, as provided in the Agreement. Notwithstanding the provisions of the Agreement, no amount shall be transferred from the Reserve Fund to the

Principal Account if the amount on deposit in the Reserve Fund is, or as a result of such transfer would be, less than the Reserve Requirement.

(G) Investment. Moneys in the Reserve Fund shall be invested and deposited in accordance with the Agreement. Moneys on deposit in the Reserve Fund shall be invested in Permitted Investments which do not have maturities extending beyond five (5) years; provided, however, if the Reserve Fund is invested in an investment agreement (as defined in clause (xi) of the definition of Permitted Investments in the Agreement) or a repurchase agreement (as defined in clause (x) of such definition) such agreement may have a maturity longer than five (5) years if the Fiscal Agent is authorized by the provisions of such agreement to draw the full amount thereof, without penalty, if required for the purposes of the Reserve Fund. The Services District shall cause the Permitted Investments, other than such an investment or repurchase agreement, in which moneys on deposit in the Reserve Fund are invested to be valued at fair market value and marked-to-market at least once in each Fiscal Year. Subject to provisions of the Agreement, Investment Earnings shall be retained in the Reserve Fund and shall be used for the purposes of such fund, except to the extent they are required to be deposited by the Fiscal Agent in the Rebate Fund as provided in the Agreement.

OTHER COVENANTS OF THE SERVICES DISTRICT

Punctual Payment

The Services District 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 any Supplemental Agreement to the extent that the Special Tax Revenues are available therefor, 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.

Special Obligation

The Bonds are special obligations of the Services District and the District and are payable solely from and secured solely by the Special Tax Revenues and the amounts in the Bond Fund, the Reserve Fund and the Special Tax Fund.

Extension of Time for Payment

In order to prevent any accumulation of claims for interest after maturity, the Services District 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 Services District, such claim for interest so extended or funded shall not be entitled, in case of default under the Agreement, 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 Services District shall 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 created for the benefit of the Bonds in the Agreement, except as permitted by the Agreement.

Books and Accounts

The Services District shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Services District in which complete and correct entries shall be made of all

transactions relating to the expenditure of amounts disbursed from the Administrative Expense Fund. Such books of record and accounts shall at all times during business hours, upon reasonable notice, be subject to the inspection of the Fiscal Agent (which shall have no duty to inspect) and the Owners of not less than ten percent (10%) of the aggregate principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Protection of Security and Rights of Owners

The Services District 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 Services District, the Bonds shall be incontestable by the Services District.

Collection of Special Tax Revenues

The Services District shall comply with all requirements of the Act, including the enactment of necessary ordinances, resolutions or as otherwise prescribed by the law, so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of the payment or collection of delinquent Special Taxes.

On or within five (5) Business Days of May 1 of each year, the Fiscal Agent shall provide the Services District with a notice stating the amount then on deposit in the Special Tax Fund, the Bond Fund and the Reserve Fund, and informing the Services District that the Special Taxes are to be levied by Ordinance as necessary to provide for Annual Debt Service and Administrative Expenses and replenishment (if necessary) of the Reserve Fund so that the balance therein equals the Reserve Requirement. The receipt of such notice by the Services District or the failure of the Fiscal Agent to give such notice shall in no way affect the obligations of the Services District under the following two paragraphs. The Fiscal Agent shall have no liability if it does not provide such notice to the Services District. Upon receipt of such notice, the Services District shall communicate with the Auditor 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 Fiscal Year.

The Services District shall effect the levy of the Special Taxes each Fiscal Year in accordance with the Act by August 1 of each year (or such later date as may be authorized by the Act or any amendment thereof) that the Bonds are Outstanding, such that the computation of the levy is complete before the final date on which the Auditor will accept the transmission of the Special Tax amounts for the parcels within the District for inclusion on the tax roll for the Fiscal Year then beginning. Upon the completion of the computation of the amounts of the levy of the Special Taxes, the Services District shall prepare or cause to be prepared, and shall transmit to the Auditor, such data as the Auditor requires to include the levy of the Special Taxes on the tax roll. Notwithstanding the preceding provisions of this paragraph, the Board of Directors may elect, as permitted by the Act, to collect the Special Taxes to be levied for any Fiscal Year directly from the owners of the parcels of taxable property upon which the Special Taxes are levied rather than by transmitting the Special Taxes to the Auditor for collection on the tax roll; provided that, in such event, the Services District shall otherwise comply with the provisions of the Agreement.

The Services District shall fix and levy the amount of Special Taxes within the District required for the payment of the principal of and interest on any Outstanding Bonds becoming due and payable during the ensuing calendar year, including any necessary replenishment or expenditure of the Reserve Fund, and the amount estimated to be sufficient to pay the Administrative Expenses during such calendar year. The Special Taxes so levied shall not exceed the authorized amounts as provided in the proceedings for the formation of the District.

The Special Taxes shall be payable and be collected (except in the event of judicial foreclosure proceedings pursuant to the Agreement) in the same manner and at the same time and in the same installments 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.

The Services District will not, in collecting the Special Taxes or in processing any such judicial foreclosure proceedings, exercise any authority which it has pursuant to Sections 53340, 53344.1, 53356.1 and 53356.8 of the California Government Code, including but not limited to the waiver of penalties and interest on delinquent special taxes and tendering of bonds, in any manner which would materially and adversely affect the interests of the Bondowners and, in particular, will not permit the tender of Bonds in full or partial payment of any Special Taxes except upon receipt of a certificate of an Independent Financial Consultant that to accept such tender will not result in the Services District having insufficient Special Tax Revenues to pay the principal of and interest on the Bonds remaining Outstanding following such tender.

Reduction of Maximum Special Tax Rates

The Services District covenants that, to the extent that it is legally permitted to avoid doing so, it will not initiate and conduct proceedings to reduce the maximum rates of Special Taxes which are authorized to be levied on taxable parcels of property within the District (the "Maximum Rates"). The Services District further covenants that in the event an ordinance is adopted by initiative pursuant to Section 3 of Article XIII C of the California Constitution, which purports to reduce or otherwise alter the Maximum Rates, it will commence and pursue legal action seeking to preserve its ability to comply with its covenant contained in the preceding paragraph.

Further Assurances

The Services District will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Agreement, and for better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in the Agreement.

Tax Covenants

The Services District covenants that:

(A) It will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of the initial issuance and delivery of the Bonds, would have caused any of the Bonds to be "arbitrage bonds" within the meaning of Section 103(b) and Section 148 of the Code;

(B) It will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of initial issuance and delivery of the Bonds, would result in loss of exclusion from gross income for purposes of federal income taxation under Section 103(a) of the Code of interest paid with respect to the Bonds;

(C) It will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of initial issuance and delivery of the Bonds, would have caused any of the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code;

(D) It will comply with the Tax and Arbitrage Certificate as a source of guidance for achieving compliance with the Code; and

(E) In order to maintain the exclusion from gross income for purposes of federal income taxation of interest paid with respect to the Bonds, it will comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Code.

The covenants of the Services District contained in the Agreement shall survive the payment, redemption or defeasance of Bonds pursuant to the Agreement.

Covenant to Foreclose

The Services District covenants with and for the benefit of the Owners of the Bonds under the Agreement (i) that it will order, and cause to be commenced, judicial foreclosure proceedings against properties with delinquent Special Taxes in excess of $5,000 by the October 1 following the close of the Fiscal Year in which such Special Taxes were due, and (ii) that it will commence judicial foreclosure proceedings against all properties with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than ninety-five percent (95%) of the total Special Taxes levied, and diligently pursue to completion such foreclosure proceedings; provided, however, the Services District shall not be required to order and cause judicial foreclosure proceedings to be commenced against delinquent properties as long as no deficiency in the Reserve Fund exists (or is projected to exist in order to make debt service payments on the Bonds in the current or next Fiscal Year) or the Services District determines that the cost of pursuing such foreclosure is greater than the outstanding delinquency.

Prepayment of Special Taxes

The Services District shall cause all applications of owners of property to prepay and satisfy the Special Tax obligation for their property to be reviewed by the Special Tax Consultant, and shall not accept any such prepayment unless such consultant certifies in writing that following the acceptance of the proposed prepayment by the Services District, the total amount of the Maximum Special Tax for Debt Service and Facilities that may be levied on all parcels of Taxable Property in the District, both prior to and after the proposed prepayment, will be equal to at least 1.1 times an amount equal to Maximum Annual Debt Service on the Bonds plus Administrative Expenses in the amount of $40,000. For purposes of such certification, the terms "Maximum Special Tax for Debt Service and Facilities" and "Taxable Property" shall have the meanings given to them in the Rates and Method of Apportionment of Special Tax for the District.

Calculation of Prepayments

The Services District will cause all Special Tax Prepayments to be calculated to include the amount of the premium on the Outstanding Bonds that will be redeemed with the Special Tax Prepayment and negative arbitrage on the investment of the Special Tax Prepayment from the date of receipt until the Interest Payment Date upon which the Special Tax Prepayment and the amount to be transferred from the Reserve Fund to the Principal Account pursuant to the Agreement will be used to redeem Outstanding Bonds pursuant to provisions thereof. The Services District will not include in any calculation of the amount of any Special Tax Prepayment for any parcel of taxable property a proportionate amount of the amount then on deposit in the Reserve Fund, if at the time of such calculation the amount on deposit in the Reserve Fund is less than the Reserve Requirement.

Continuing Disclosure

The Services District covenants and agrees by the Agreement that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement.

INVESTMENTS; DISPOSITION OF INVESTMENT PROCEEDS; LIABILITY OF THE SERVICES DISTRICT

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 paragraph (vii) of the definition of Permitted Investments in the Agreement. The Fiscal Agent shall not have any responsibility for determining the legality of any Permitted Investments. The Fiscal Agent shall have no obligation to pay additional interest or maximize investment income on any funds held by it. Neither the Services District nor the Owners of the Bonds shall have any claim of any kind against the Fiscal Agent in connection with investments properly made pursuant to the Agreement. Obligations purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account, subject, however, to the requirements of the Agreement for transfer of Investment Earnings in funds and accounts.

The Fiscal Agent and its affiliates may act as sponsor, advisor, depository, principal or agent in the holding, acquisition or disposition of any investment. The Fiscal Agent shall not incur any liability for losses arising from any investments made pursuant to the Agreement. For purposes of determining the amount on deposit in any fund or account held under the Agreement, all Permitted Investments credited to such fund or account shall be valued at the cost thereof (excluding accrued interest and brokerage commissions, if any).

Subject in all respects to the provisions of the Agreement, investments in any and all funds and accounts may be commingled in a single fund for purposes of making, holding and disposing of investments, notwithstanding provisions in the Agreement for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Fiscal Agent under the Agreement, provided that the Fiscal Agent 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 shall sell at the highest price reasonably obtainable (provided that the highest of any three bids received by the Fiscal Agent shall be deemed the highest price reasonably obtainable), 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 the Fiscal Agent shall not be liable or responsible for any loss resulting from the acquisition or disposition of any such investment security in accordance with the Agreement.

The Services District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Services District the right to receive brokerage confirmations of security transactions as they occur, the Services District specifically waives receipt of such confirmations to the extent permitted by law. The Fiscal Agent shall furnish the Services District periodic cash transaction statements which shall include detail for all investment transactions made by the Fiscal Agent under the Agreement.

The Fiscal Agent may make any investments under the Agreement through its own bond or investment department or trust investment department, or those of its parent or any affiliate.

Rebate Fund; Rebate to the United States

The Agreement creates, to be held by the Fiscal Agent, as a separate fund distinct from all other funds and accounts held by the Fiscal Agent under the Agreement, the Rebate Fund. The Fiscal Agent shall, in accordance with direction by an Officer's Certificate (upon which the Fiscal Agent may conclusively rely), deposit into the Rebate Fund moneys transferred by the Services District to the Fiscal Agent pursuant to the Rebate Certificate or moneys transferred by the Fiscal Agent from the Reserve Fund. The Rebate Fund shall be held either un-invested or invested only in Defeasance Securities as specified in an Officer's Certificate (upon which the Fiscal Agent may conclusively rely) of the Services District. Moneys on deposit in the Rebate Fund shall be applied only to payments made to the United States, to the extent such payments are required by the Rebate Certificate. The Fiscal Agent shall, upon written request and direction of the Services District, make such payments to the United States.

The Fiscal Agent's sole responsibilities under the Agreement are to follow the written instructions of the Services District pertaining to the Agreement. The Services District shall be responsible for any fees and expenses incurred by the Fiscal Agent pursuant to the Agreement.

The Fiscal Agent shall, upon written request and direction from the Services District, transfer to or upon the order of the Services District any moneys on deposit in the Rebate Fund in excess of the amount, if any, required to be maintained or held therein in accordance with the Rebate Certificate.

Liability of Services District

The Services District shall not incur any responsibility in respect of the Bonds or the Agreement other than in connection with the duties or obligations explicitly in the Agreement or in the Bonds assigned to or imposed upon it. The Services District shall not be liable in connection with the performance of its duties under the Agreement, except for its own negligence or willful default. The Services District shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements of the Fiscal Agent in the Agreement or of any of the documents executed by the Fiscal Agent in connection with the Bonds.

In the absence of bad faith, the Services District may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Services District and conforming to the requirements of the Agreement. The Services District shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

No provision of the Agreement shall require the Services District to expend or risk its own general funds or otherwise incur any financial liability (other than with respect to the Special Tax Revenues) in the performance of any of its obligations under the Agreement, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Services District may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Services District may consult with counsel, who may be counsel to the Services District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under the Agreement in good faith and in accordance therewith.

Whenever in the administration of its duties under the Agreement the Services District shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Agreement, such matter (unless other evidence in respect thereof be specifically prescribed in the Agreement) may, in the absence of willful misconduct on the part of the Services District, be deemed to be conclusively proved and established by a certificate of the Fiscal Agent, and such certificate shall be full warranty to the Services District for any action taken or suffered under the provisions of the Agreement or any Supplemental Agreement upon the faith thereof, but in its discretion the Services District may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Employment of Agents by Services District

In order to perform its duties and obligations under the Agreement, the Services District may employ such persons or entities as it deems necessary or advisable. The Services District shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith under the Agreement, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations and directions of such persons or entities.

THE FISCAL AGENT

Appointment of Fiscal Agent

U.S. Bank Trust Company, National Association, is appointed Fiscal Agent, registrar and paying agent for the Bonds under the Agreement. 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 shall be read into the Agreement against the Fiscal Agent.

Any company into which the Fiscal Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Fiscal Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under the Agreement, shall be the successor to the Fiscal Agent without the execution or filing of any paper or any further act, anything to the contrary notwithstanding in the Agreement.

The Services District may remove the Fiscal Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least $50,000,000, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of the Agreement, the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Fiscal Agent may at any time resign by giving written notice to the Services District and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, the Services District shall promptly appoint a successor Fiscal Agent by an instrument in writing. Any resignation or removal of the Fiscal Agent shall become effective upon acceptance of appointment by the successor Fiscal Agent.

If no appointment of a successor Fiscal Agent shall be made pursuant to the provisions of the Agreement within forty-five (45) days after the Fiscal Agent shall have given to the Services District written notice or after a vacancy in the office of the Fiscal Agent shall have occurred by reason of its inability to act, the Fiscal Agent, at the expense of the Services District, or any Owner 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 shall be taken as statements, covenants and agreements of the Services District and the District, and the Fiscal Agent assumes no responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of the Agreement or of the Bonds, nor shall the Fiscal Agent incur any responsibility in respect thereof, other than in connection with the duties or obligations in the Agreement or in the Bonds assigned to or imposed upon it. The Fiscal Agent shall not be liable in connection with the performance of its duties under the Agreement, except for its own negligence or willful misconduct. 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.

In the absence of bad faith, the Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Fiscal Agent and conforming to the requirements of the Agreement. Except as provided above in this paragraph, the Fiscal Agent shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of the Agreement, upon any resolution, order, notice, request,

consent or waiver, certificate, statement, affidavit, or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of the Agreement, and the Fiscal Agent shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

The Fiscal Agent shall not be liable for any error of judgment made in good faith by the Fiscal Agent unless it shall be proved that the Fiscal Agent was negligent in ascertaining the pertinent facts.

No provision of the Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties under the Agreement, or in the exercise of any of its rights or powers.

The Fiscal Agent shall not be responsible for accounting for, or paying to, any party to the Agreement, including, but not limited to the Services District and the Owners, any returns on or benefit from funds held for payment of unredeemed Bonds or outstanding checks and no calculation of the same shall affect, or result in any offset against, fees due to the Fiscal Agent under the Agreement.

The Fiscal Agent shall be under no obligation to exercise any of the rights or powers vested in it by the Agreement at the request or direction of any of the Owners pursuant to the Agreement unless such Owners shall have offered to the Fiscal Agent reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

The Fiscal Agent may become the owner of the Bonds with the same rights it would have if it were not the Fiscal Agent.

All indemnification and releases from liability granted in the Agreement to the Fiscal Agent shall extend to the directors, officers and employees of the Fiscal Agent.

The Fiscal Agent shall not be considered in breach of or in default in its obligations under the Agreement or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Fiscal Agent.

Information

The Fiscal Agent shall provide to the Services District such information relating to the Bonds and the funds and accounts maintained by the Fiscal Agent under the Agreement as the Services District shall reasonably request, including, but not limited to, quarterly statements reporting funds held and transactions by the Fiscal Agent.

Notice to Fiscal Agent

The Fiscal Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Fiscal Agent may consult with counsel, who may be counsel to the Services District, with regard to legal questions, and the advice

or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Fiscal Agent under the Agreement in good faith and in accordance therewith.

Whenever in the administration of its duties under the Agreement the Fiscal Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Agreement, such matter (unless other evidence in respect thereof be specifically prescribed in the Agreement) may, in the absence of willful misconduct on the part of the Fiscal Agent, be deemed to be conclusively proved and established by a certificate of the Services District, and such certificate shall be full warranty to the Fiscal Agent for any action taken or suffered under the provisions of the Agreement or any Supplemental Agreement upon the faith thereof, but in its discretion the Fiscal Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Compensation, Indemnification

The Services District shall pay to the Fiscal Agent from time to time reasonable compensation for all services rendered as Fiscal Agent under the Agreement, and also all reasonable expenses, charges, fees and other disbursements, including those of its attorneys, agents and employees, incurred in and about the performance of its powers and duties under the Agreement, and the Fiscal Agent shall have a first priority lien therefor on any funds at any time held by it under the Agreement, and the Fiscal Agent shall pay and reimburse all expenses, charges, fees and other disbursements, including those of its attorneys, agents and employees, incurred in connection therewith from the funds held by it under the Agreement. The Services District further agrees, to the extent permitted by applicable law, to indemnify and save the Fiscal Agent, its officers, employees, directors and agents, harmless against any liabilities which it may incur in the exercise and performance of its powers and duties under the Agreement which are not due to its negligence or willful misconduct. The obligation of the Services District under the Agreement shall survive resignation or removal of the Fiscal Agent under the Agreement and payment of the Bonds and discharge of the Agreement.

Books and Accounts

The Fiscal Agent shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Fiscal Agent, in which complete and correct entries shall be made of all transactions made by it and with respect to the expenditure of amounts disbursed from the Bond Fund, the Special Tax Fund, the Administrative Expense Fund, the Reserve Fund and the Cost of Issuance Fund. Such books of record and accounts shall, upon reasonable notice, at all times during business hours be subject to the inspection of the Services District and the Owners of not less than ten percent (10%) of the aggregate principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

MODIFICATION OR AMENDMENT OF THE AGREEMENT

Amendments Permitted

(A) The Agreement and the rights and obligations of the District and the Services District and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Agreement with either (a) the affirmative vote of the Owners at a meeting of the Owners, or (b) 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 the time for paying interest thereon, or otherwise alter or impair the obligation of the Services District on behalf of the District 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 of any pledge of or lien upon the Special Tax Revenues, or the moneys on deposit in the Special Tax Fund, the Bond Fund or the Reserve Fund, 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), (iii) reduce the percentage of Bonds required for the amendment thereof, or (iv) reduce the principal amount of

or redemption premium on any Bond or reduce the interest rate thereon. Any such amendment may not modify any of the rights or obligations of the Fiscal Agent without its written consent. The Services District shall deliver to the Fiscal Agent an opinion of counsel that any such Supplemental Agreement entered into by the Services District and the Fiscal Agent complies with the provisions of the Agreement and the Fiscal Agent may conclusively rely on such opinion.

(B) The Agreement and the rights and obligations of the District and the Services District and 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:

(1) to add to the covenants and agreements of the Services District in the Agreement contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power reserved to or conferred upon the Services District in the Agreement;

(2) to make modifications not adversely affecting any Outstanding Bonds in any material respect;

(3) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provisions of the Agreement, or in regard to questions arising under the Agreement, as the Services District and the Fiscal Agent may deem necessary or desirable and not inconsistent with the Agreement, and which shall not adversely affect the rights of the Owners;

(4) 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 moneys 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; or

(5) to provide for the issuance of Parity Bonds to pay and discharge the indebtedness of a portion of the Outstanding Bonds (a "Partial Discharge") pursuant to the Agreement; provided that following the issuance of such Parity Bonds Debt Service on the Bonds that will remain Outstanding following such Partial Discharge and such Parity Bonds will be less in each subsequent Bond Year than Debt Service on the Outstanding Bonds before the issuance of such Parity Bonds.

Owners' Meetings

The Services District may at any time call a meeting of the Owners. In such event, the Services District is authorized to fix the time and place of any such meeting and to provide for the giving of notice thereof and to fix and adopt rules and regulations for the conduct of the meeting.

Procedure for Amendment with Written Consent of Owners

The Services District 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 the Supplemental Agreement, together with a request to Owners for their consent thereto, shall be mailed by first class mail, postage prepaid, by the Fiscal Agent to each Owner of Bonds Outstanding, but failure to mail copies of the Supplemental Agreement and request shall not affect the validity of the Supplemental Agreement when assented to as provided in the Agreement.

Such a 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 provided in the Agreement. 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 provided for in the Agreement has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the Services District shall mail a notice to the Owners in the manner 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 specifically provided in the Agreement) upon the Services District, the District and the Owners of all Bonds then Outstanding 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 (60)-day period.

Disqualified Bonds

Bonds owned or held for the account of the Services District, excepting any pension or retirement fund, shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of Outstanding Bonds provided for in the Agreement, and shall not be entitled to vote upon, consent to, or participate in any action provided for in the Agreement.

Effect of Supplemental Agreement

From and after the time any Supplemental Agreement becomes effective pursuant to the Agreement, the Agreement shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under the Agreement of the Services District and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced under the Agreement subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Agreement shall be deemed to be part of the terms and conditions of the Agreement for any and all purposes.

Endorsement or Replacement of Bonds Issued After Amendments

The Services District may determine that Bonds issued and delivered after the effective date of any action taken as provided in the Agreement shall bear a notation, by endorsement or otherwise, in form approved by the Services District, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and upon presentation of his Bond for that purpose at the Principal Office of the Fiscal Agent or at such other office as the Services District may select and designate for that purpose, a suitable notation shall be made on such Bond. The Services District may determine that new Bonds, so modified as in the opinion of the Services District are necessary to conform to such action, shall be prepared, executed and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the Principal Office of the Fiscal Agent without cost to any Owner, for like Bonds then Outstanding, upon surrender of such Bonds.

Amendatory Endorsement of Bonds

The provisions of the Agreement shall not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

MISCELLANEOUS

Discharge of Agreement

If the Services District shall pay and discharge the entire indebtedness on all or a portion (a "Partial Discharge") of the Outstanding Bonds 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, as and when the same become due and payable;

(B) by depositing with the Fiscal Agent, at or before maturity, an amount of money which, together with the amounts then on deposit in the Bond Fund, the Special Tax Fund and the Reserve Fund, or in the event of a Partial Discharge, the appropriate portion of such amounts, as determined by the Services District and confirmed by an Independent Financial Consultant, is fully sufficient to pay all such Bonds, including all principal, interest and redemption premiums, if any; or

(C) by irrevocably depositing with the Fiscal Agent cash or non-callable Defeasance Securities in such amount as the Services District shall determine, as confirmed by an Independent Financial Consultant, will, together with the interest to accrue thereon and amounts then on deposit in the Bond Fund, the Special Tax Fund and the Reserve Fund, or in the event of a Partial Discharge, the appropriate portion of such amounts, as determined by the Services District and confirmed by an Independent Financial Consultant, be fully sufficient to pay and discharge the indebtedness on all 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 Services District, and notwithstanding that any such Bonds shall not have been surrendered for payment, the pledge of the Special Tax Revenues and other funds provided for in the Agreement and all other obligations of the Services District and the District under the Agreement with respect to such Bonds shall cease and terminate, except the obligation of the Services District to pay or cause to be paid to the Owners of such Bonds not so surrendered and paid all sums due thereon, the obligation of the Services District to pay all amounts owing to the Fiscal Agent pursuant to the Agreement, and the obligations of the Services District pursuant to the covenants contained in the Agreement; and thereafter Special Tax Revenues shall not be payable to the Fiscal Agent with respect to such Bonds. Notice of such election shall be filed with the Fiscal Agent. The satisfaction and discharge of the Agreement as to all of the Outstanding Bonds shall be without prejudice to the rights of the Fiscal Agent to charge and be reimbursed by the Services District for the expenses which it shall thereafter incur in connection with the Agreement.

Any funds held by the Fiscal Agent to pay and discharge the indebtedness on such Bonds, upon payment of all fees and expenses of the Fiscal Agent, which are not required for such purpose, shall be paid over to the Services District.

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APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT OF DISTRICT

This Continuing Disclosure Agreement (the "Disclosure Agreement"), dated as of December 1, 2026, is executed and delivered by Jurupa Community Services District (the "Issuer") for and on behalf of Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District (the "District") and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule").

SECTION 1. Definitions.

Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

"Annual Report" means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

"Annual Filing Date" means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with EMMA.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

"Audited Financial Statements" means the financial statements (if any) of the Issuer for the prior Fiscal Year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

"Bonds" means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice required to be submitted to EMMA under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

"Disclosure Representative" means the General Manager, the senior member of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C., acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

"EMMA" shall mean the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, which can be found at *www.emma.msrb.org*, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission in the future.

"Failure to File Event" means the Issuer's failure to file the Annual Report on or before the Annual Filing Date.

"Fiscal Agent" means the institution identified as such in the document under which the Bonds were issued.

"Holder" means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

"Information" means the Annual Financial Information, the Audited Financial Statements (if any) the Notice Event notices, and the Voluntary Reports.

"Notice Event" means an event listed in Sections 4(a) of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Official Statement" means that Official Statement prepared by the Issuer in connection with the Bonds, as listed on Exhibit A.

"Voluntary Report" means the information provided to the Disclosure Dissemination Agent by the Issuer pursuant to Section 7.

SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Fiscal Agent, not later than 30 days prior to the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to EMMA not later than April 1 following the end of each Fiscal Year of the Issuer (unless the Issuer's Fiscal Year end is no longer June 30, then 270 days after the end of each Fiscal Year), or the next business day if such day is not a business day, commencing with the Fiscal Year ending June 30, 2026; provided, however, that the first Annual Report shall consist solely of the Official Statement. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification) no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Notice Event as described in Section 4(a)(12) has occurred and to immediately send a notice to EMMA.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to EMMA.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certificate, together with a copy for the Fiscal Agent, for filing with EMMA.

(e) The Disclosure Dissemination Agent shall:

(i) upon receipt, promptly file each Annual Report received under Section 2(a) with EMMA;

(ii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with EMMA;

(iii) The Issuer shall notify the Dissemination Agent not more than eight (8) Business Days after the following events, and the Dissemination Agent shall file a notice with EMMA not more than ten (10) Business Days after the following events:

1. principal and interest payment delinquencies;

2. unscheduled draws on debt service reserves reflecting financial difficulties;

3. unscheduled draws on credit enhancements reflecting financial difficulties;

4. substitution of credit or liquidity providers, or their failure to perform;

5. adverse tax opinions or 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 Bonds;

6. defeasances;

7. tender offers;

8. rating changes;

9. bankruptcy, insolvency, receivership or similar proceedings; and

Note: for the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. 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 obligated person, or if such jurisdiction has been assumed by leaving the existing governmental 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 obligated person.

10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(iv) Additionally, the Issuer shall provide the Dissemination Agent, and the Dissemination Agent shall promptly file with EMMA, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in paragraph 5(a)(5) above, notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

2. the consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the 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;

3. appointment of a successor or additional trustee or the change of the name of a trustee;

4. nonpayment related defaults;

5. modifications to the rights of Owners of the Bonds;

6. notices of redemption;

7. release, substitution or sale of property securing repayment of the Bonds; and

8. incurrence of a financial obligation of the obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(v) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Fiscal Agent (if any) and EMMA, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

SECTION 3. Content and Form of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including the following:

(i) the principal amount of the Bonds outstanding as of September 30 of each year;

(ii) the balance in each fund under the Fiscal Agent Agreement as of the September 30 preceding the filing of the Annual Report, including the Reserve Fund thereunder and a statement of the Reserve Requirement;

(iii) a summary of the Special Taxes levied within the District, the assessed value of such land, as shown on the assessment roll of the Riverside County Assessor last equalized prior to the September 30 next preceding the Annual Report Date, and a calculation of the assessed value-to-lien ratio within the District based on such assessed value and the principal amount of the Bonds outstanding described in (i) above, in substantially the form set forth in Table 4 of the Official Statement (using assessed value and not appraised value);

(iv) any changes to the Rates and Method of Apportionment of Special Tax approved or submitted to the electors for approval prior to the filing of the Annual Report;

(v) the status of any foreclosure actions being pursued by the Issuer with respect to delinquent Special Taxes;

(vi) information regarding the percentage of delinquency, if any, in the collection of Special Taxes levied on property in the District for the Fiscal Year preceding the Annual Filing Date in substantially the form set forth in Table 5 of the Official Statement; and

(vii) any information not already included under (i) through (vi) above that the Issuer is required to file in its annual report to the California Debt and Investment Advisory Commission pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended.

In addition to any of the information expressly required to be provided under paragraph (a) of this Section, the Issuer shall provide such further information, if any, as may be necessary to make the specifically required statements set forth in clauses (i) to (vi), in the light of the circumstances under which they were made, not misleading.

(b) Audited Financial Statements (if any) prepared in accordance with generally accepted accounting principles as prescribed for governmental units by the Governmental Accounting Standards Board ("GAAP") will be included in the Annual Report; provided, however, that the Issuer may from time to time, if required by federal or state legal requirements, modify the basis upon which its financial statements are prepared. If Audited Financial Statements (if any) are not available by the time the Annual Report is required to be filed, the Annual Report shall contain any unaudited financial statements of the Issuer in a format similar to the Audited Financial Statements (if any), and the Audited Financial Statements (if any) shall be provided pursuant to Section 2(d) when they become available.

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been previously filed with each of EMMA or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

SECTION 4. Reporting of Notice Events.

(a) Pursuant to the provisions of this Section 4, the Issuer shall give, or cause to be given, notice to the Dissemination Agent of the occurrence of any of the following events with respect to the Bonds, not more than eight (8) Business Days after the following events, and the Dissemination Agent shall provide notice to EMMA not more than ten (10) Business Days after the following events:

1. principal and interest payment delinquencies;

2. unscheduled draws on debt service reserves reflecting financial difficulties;

3. unscheduled draws on credit enhancements reflecting financial difficulties;

4. substitution of credit or liquidity providers, or their failure to perform;

5. adverse tax opinions or 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 Bonds;

6. defeasances;

7. tender offers;

8. rating changes;

9. bankruptcy, insolvency, receivership or similar proceedings; and

Note: for the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. 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 obligated person, or if such jurisdiction has been assumed by leaving the existing governmental 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 obligated person.

10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 4, the Issuer shall give, or cause to be given, notice to the Dissemination Agent, of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in paragraph 5(a)(5) above, notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

2. the consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the 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;

3. appointment of a successor or additional trustee or the change of the name of a trustee;

4. nonpayment related defaults;

5. modifications to the rights of Owners of the Bonds;

6. notices of redemption;

7. release, substitution or sale of property securing repayment of the Bonds; and

8. incurrence of a financial obligation of the obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

The occurrence of any the events described in Section 4(a) and (b) above constitutes a Notice Event. The Issuer notify the Disclosure Dissemination Agent promptly, and in no event later than eight (8) Business Days, in writing upon the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (d). Such notice shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information to EMMA, and the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information to EMMA.

(c) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within five business days of receipt of such notice, instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (d), together with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information to EMMA, and the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information to EMMA.

(d) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a), (b) or (c)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with EMMA, and, with respect to Notice Events set forth in subsection (a), such Notice Events shall be filed with EMMA no later than ten (10) Business Days from the date of such event.

For purposes of the events identified in subparagraphs (a)(10) and (b)(8) under this Section 5, the term "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 and a continuing disclosure undertaking has been entered into.

SECTION 5. CUSIP Numbers.

Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, notices of Notice Events, and Voluntary Reports filed pursuant to Section 7(a), the Issuer shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations.

The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the failure of the Disclosure Dissemination Agent to so advise the Issuer shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Reports.

(a) The Issuer may instruct the Disclosure Dissemination Agent to file information with EMMA, from time to time pursuant to a Certification of the Disclosure Representative accompanying such information (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice.

SECTION 8. Termination of Reporting Obligation.

The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent.

The Issuer has appointed DAC as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty days written notice to the Disclosure Dissemination Agent and the Fiscal Agent, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default.

In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be

deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Issuer at all times.

THE ISSUER AGREES TO INDEMNIFY AND SAVE THE DISCLOSURE DISSEMINATION AGENT AND ITS RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS AGAINST ANY LOSS, EXPENSE AND LIABILITIES WHICH THEY MAY INCUR ARISING OUT OF OR IN THE EXERCISE OR PERFORMANCE OF THEIR POWERS AND DUTIES HEREUNDER, INCLUDING THE COSTS AND EXPENSES (INCLUDING ATTORNEYS FEES) OF DEFENDING AGAINST ANY CLAIM OF LIABILITY, BUT EXCLUDING LIABILITIES DUE TO THE DISCLOSURE DISSEMINATION AGENT'S NEGLIGENCE OR WILLFUL MISCONDUCT.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, with prior written notice to the Issuer, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and neither of them shall incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver.

Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel qualified in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries.

This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Fiscal Agent of the Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law.

This Disclosure Agreement shall be governed by the laws of the State of California.

SECTION 15. Counterparts.

This Disclosure Agreement 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.

The Disclosure Dissemination Agent and the Issuer have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C., as
Disclosure Dissemination Agent

By:_____
Name:_____
Title:_____

JURUPA COMMUNITY SERVICES DISTRICT ON BEHALF OF COMMUNITY FACILITIES DISTRICT NO. 58 (PARADISE KNOLLS) OF THE JURUPA COMMUNITY SERVICES DISTRICT,
as Issuer

By:_____
Name:_____
Its:_____

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer	Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District
Obligated Person(s)	Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District
Name of Bond Issue:	$_____ Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District 2026 Special Tax Bonds
Date of Issuance:	December __, 2026
Date of Official Statement	November __, 2026

CUSIP Number:
CUSIP Number:
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APPENDIX F

FORM OF DEVELOPER CONTINUING DISCLOSURE CERTIFICATE

THIS CONTINUING DISCLOSURE CERTIFICATE (this "**Disclosure Certificate**"), dated as of December 1, 2026, is executed by Century Communities of California, LLC, a Delaware limited liability company (the "**Developer**") in connection with the issuance by the Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District (the "**Community Facilities District**") of the Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District 2026 Special Tax Bonds (the "**Bonds**"), in the aggregate principal amount of $_____ pursuant to the Fiscal Agent Agreement, dated as of December 1, 2026 (the Fiscal Agent Agreement"), by and between the Community Facilities District and U.S. Bank Trust Company, National Association, as fiscal agent, a national banking association organized and existing under the laws of the United States of America, as fiscal agent (the "**Fiscal Agent**").

W I T N E S S E T H :

WHEREAS, the Bonds are payable from and secured by special taxes levied on certain of the property within the Community Facilities District;

WHEREAS, the Developer is developing a portion of the property within the Community Facilities District that is described in the Official Statement as Planning Area 2 of the Paradise Knolls Specific Plan; and

WHEREAS, this Disclosure Certificate is being executed and delivered by the Developer for the benefit of the owners and beneficial owners of the Bonds;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the Developer hereby agrees as follows:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes of this Disclosure Certificate have the meanings herein specified. Capitalized undefined terms used herein shall have the meanings ascribed thereto in this Disclosure Certificate or the Fiscal Agent Agreement.

"Affiliate" means with respect to a Major Owner, any other Person (i) who directly, or indirectly through one or more intermediaries, is currently controlling, controlled by or under common control with the Major Owner, and (ii) for whom information, including financial information or operating data, concerning such Person is material to an evaluation of the Community Facilities District of the Community Facilities District and the Bonds (i.e. information relevant to (a) the Major Owner's development plan with respect to its Property and ability to pay its Special Taxes on the Property (to the extend the responsibility of the Major Owner) prior to delinquency or (b) such Person's assets or funds that would materially affect the Major Owner's ability to develop its Property as described in the Official Statement or the most recent Semi-Annual Report or to pay its Special Taxes on the Property). 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 Affiliate thereof) containing terms substantially similar to this Disclosure Certificate, whereby such Major Owner agrees to provide Semi-Annual Reports and notices of significant events with respect to the portion of the Property owned by such Major Owner and with respect to the improvements or payments necessary to cause the Planned Development Stage to be reached.

"Community Facilities District" means Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District, a community facilities district organized and existing under the laws of the State, and its successors.

"Development Plan" means, with respect to a Major Owner, the specific improvements such Major Owner intends to make, or cause to be made, in order for such Major Owner's Property to reach the Planned Development Stage within the time frame in which such improvements are intended to be made and the estimated costs of such improvements; the Developer's Development Plan, as of the date hereof, is described in the Official Statement under the caption "PROPERTY OWNERSHIP AND THE DEVELOPMENT—Development Plan."

"Dissemination Agent" means any Dissemination Agent designated in writing by the Developer and which has filed with the Developer and the Community Facilities District a written acceptance of such designation. The Developer intends to serve as its own Dissemination Agent.

"Financing Plan" means, with respect to a Major Owner, the method by which such Major Owner intends to finance its Development Plan, including specific sources of funding for such Development Plan; the Developer's Financing Plan, as of the date hereof, is described in the Official Statement under the caption "PROPERTY OWNERSHIP AND THE DEVELOPMENT—Financing Plan."

"First Report Date" means June 1 of each year.

"Fiscal Agent" means U.S. Bank Trust Company, National Association, as Fiscal Agent under the Fiscal Agent Agreement, or any successor thereto as Trustee thereunder, substituted in its place as provided therein.

"Fiscal Agent Agreement" means the Fiscal Agent Agreement, dated as of December 1, 2026, by and between the Community Facilities District and U.S. Bank Trust Company, National Association, as originally executed and as it may be amended or supplemented from time to time in accordance with its terms.

"Listed Events" means any of the events listed in subsection (a) of Section 4 hereof.

"**Major Owner**" means, as of the date of determination, a Person (including the Developer) that, together with its Affiliates, owns or has an option to acquire Property planned for 31 or more residential units in the Community Facilities District. As of the date of this Disclosure Certificate, the Developer is the only Major Owner.

"MSRB" means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive continuing disclosure reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange

Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at http://emma.msrb.org.

"Official Statement" means the Official Statement, dated November __, 2026, relating to the Bonds.

"Participating Underwriter" means Stifel, Nicolaus & Company, Incorporated, the original underwriter of the Bonds.

"Person" means an individual, a corporation, a partnership, an association, a limited liability company, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof.

"Planned Development Stage" means the stage of development to which the Developer intends to develop the Property, as described in the Official Statement, which is the construction of finished homes.

"Property" means, as of the date of determination, collectively (i) the real property within the boundaries of the Community Facilities District owned or under option to be acquired by the Developer or any Affiliate thereof and (ii) the real property within the boundaries of the Community Facilities District that was formerly owned by the Developer but which has been transferred to a Major Owner who has not assumed pursuant to an Assumption Agreement the obligation of the Developer under this Disclosure Certificate with respect to such transferred property. Property as of any date of determination does not include real property within the boundaries of the Community Facilities District that has been conveyed to individual homeowners or any real property that is the subject of an Assumption Agreement.

"Report Dates" means, collectively, the First Report Dates and the Second Report Dates.

"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.

"Second Report Date" means December 1 of each year.

"Semi-Annual Report" means any Semi-Annual Report provided by the Developer pursuant to, and as described in, Sections 2 and 3 hereof.

"Special Taxes" means special taxes levied by the Community Facilities District within the Community Facilities District.

Section 2. Provision of Semi-Annual Reports. (a) So long as the Developer's obligations hereunder have not been terminated pursuant to Section 7, the Developer shall, or shall cause the Dissemination Agent (if any) to, provide to the MSRB a Semi-Annual Report that is consistent with the requirements of Section 3 hereof, not later than each Report Date, commencing with the June 1, 2027 First Report Date. If, in any year, a Report Date falls on a day is not a Business Day, such deadline shall be extended to the next following Business Day.

(b) Not later than 15 calendar days prior to the date specified in subsection (a) of this Section for the providing of the Semi-Annual Report to the MSRB, the Developer shall provide the Semi-Annual Report to the Dissemination Agent (if the Dissemination Agent is a party other than the

Developer) or shall provide notification to the Dissemination Agent that the Developer is preparing, or causing to be prepared, the Semi-Annual Report and the date which the Semi-Annual Report is expected to be available. If by such date, the Dissemination Agent has not received a copy of the Semi-Annual Report or notification from the Developer that the Developer intends to file the Semi-Annual Report, the Dissemination Agent shall contact the Developer to determine if the Developer is in compliance with the first sentence of this subsection (b). The Semi-Annual 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 3 of this Disclosure Certificate.

(c) If the Developer does not provide, or does not cause the Dissemination Agent to provide, a Semi-Annual Report to the MSRB by the Report Date as required in subsection (a) above, the Developer or the Dissemination Agent shall, in a timely manner, send a notice to the MSRB in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) Provide each Semi-Annual Report received by it to the MSRB, as provided herein; and

(ii) To the extent the Semi-Annual Report has been furnished to it, file a report with the Developer (if the Dissemination Agent is other than the Developer) and the Community Facilities District certifying that such Semi-Annual Report has been provided pursuant to this Disclosure Certificate and stating the date it was provided to the MSRB.

Section 3. **Content of Semi-Annual Reports.** Each Semi-Annual Report shall contain or incorporate by reference the following as of a date not more than sixty (60) days prior to the applicable Report Date:

(a) The following information:

(i) A description of the progress made in the Development Plan for the Property since the date of the Official Statement or the most recent Semi-Annual Report, including a description of any significant changes in such Development Plan and the causes or rationale for such changes.

(ii) To the extent not previously disclosed in a prior Semi-Annual Report, a discussion of any material change in the sources of funds used to finance the development of the Property as disclosed in the Financing Plan, and an estimate of the remaining costs to be spent by the Developer to reach the Planned Development Stage.

(iii) An update to the following tables:

Status of Ownership of Lots in Community Facilities District	
Information as of _____, 2027 (To be updated)	
Owned by the Developer	
Owned by Individual Homeowners	
Conveyed to Other Entity[1]	
TOTAL	

[1]Represents lots or homes that have been conveyed by the Developer to an entity other than an individual homeowner.

Status of Development of Lots in Community Facilities District Owned by Major Owners[2]	
Information as of _____, 2027 (To be updated)	
Completed Production Homes	
Completed Models	
Homes Under Construction	
Finished Pad/Lot Condition[3]	
TOTAL	

(1) Represents lots or homes that have been conveyed by the Developer to an entity other than an individual homeowner.

(2) As of the date of the Official Statement, the Developer is the only Major Owner in Community Facilities District .

(3) [__] of such lots have been issued a building permit but signification construction has not yet commenced.

(vi) An update of the status of any previously reported Listed Event described in Section 4 hereof.

(b) In addition to any of the information expressly required to be provided under the preceding paragraph (a), the Developer shall 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. Major Owners that are Affiliates of each other may file a single Semi-Annual Report covering all such entities. Any or all of the items listed above may be included by specific reference to other documents that have been made available to the public on the MSRB's website or through the Securities and Exchange Commission's EDGAR database. The Developer shall clearly identify each such other document so included by reference.

Section 4. Reporting of Listed Events. (a) So long as the Developer's obligations hereunder have not been terminated pursuant to Section 7, pursuant to the provisions of this Section, the Developer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to all Major Owners, if material under clauses (b) and (c), in a timely manner not later than ten business days after obtaining knowledge of the occurrence of the event:

(i) Any conveyance by a Major Owner of any portion of a parcel of Property owned by such Major Owner or any Affiliate of a Major Owner to an entity that is not an

Affiliate of a Major Owner, the result of which conveyance is to cause such entity to become a Major Owner.

(ii) Any failure of a Major Owner, or any Affiliate of a Major Owner owning any Property, to pay prior to delinquency any general property taxes or assessments with respect to such Property (to the extent the responsibility of such Major Owner or such Affiliate), if material.

(iii) Any denial or termination of credit, any denial or termination of, or default under, any line of credit or loan or any other loss of a source of funds that could have a material adverse effect on a Major Owner's Financing Plan or Development Plan as most recently disclosed in the Official Statement or a Semi-Annual Report or on the ability of a Major Owner, or any Affiliate of a Major Owner owning any Property, to pay the Special Taxes with respect to the Property owned by such Major Owner or such Affiliate prior to delinquency (to the extent the responsibility of such Major Owner or such Affiliate).

(iv) Bankruptcy, insolvency, receivership or similar event of a Major Owner or an Affiliate of a Major Owner owning any Property. For purposes of this paragraph, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for a Major Owner or an Affiliate of a Major Owner owning any Property in a proceeding under the U.S. 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 a Major Owner or an Affiliate of a Major Owner owning any Property, 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 such a Major Owner or an Affiliate of a Major Owner owning any Property.

(v) The sale of all or substantially all of the assets of a Major Owner or an Affiliate of a Major Owner owning any Property, to an entity that is not an Affiliate of a Major Owner.

(vi) Any significant amendments to land use entitlements for the Property, if material.

(vii) Any previously undisclosed governmentally-imposed preconditions to commencement or continuation of development on Property, if material.

(viii) Any previously undisclosed legislative, administrative or judicial challenges to development on Property, if material.

(ix) Any changes, if material, in the alignment, design or likelihood of completion of significant public improvements affecting Property, including major thoroughfares, sewers, water conveyance systems and similar facilities.

(x) The assumption of any obligations by a Major Owner pursuant to Section 6 hereof.

(xi) Any material default by any party to the Option Agreement that continues to exist beyond any applicable notice and cure periods under the Option Agreement.

(b) Whenever the Developer obtains knowledge of the occurrence of a Listed Event, the Developer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(c) If the Developer determines that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Developer shall, or shall cause the Dissemination Agent to, file a notice of the occurrence of such Listed Event with the MSRB and the Community Facilities District, within ten business days of obtaining knowledge of such occurrence.

Section 5. Format for Filings with MSRB. Any report or filing with the MSRB pursuant to this Disclosure Certificate must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

Section 6. Assumption of Obligations. Prior to termination of the Developer's obligations under this Disclosure Certificate pursuant to Section 7, in the event the Developer conveys any portion of the Property owned by the Developer or any Affiliate of the Developer to an entity that is not an Affiliate of the Developer the result of which conveyance is to cause such entity to become a Major Owner, the Developer's obligations under this Disclosure Certificate with respect to such Property shall terminate only upon the execution of an Assumption Agreement by such entity.

Section 7. Termination of Reporting Obligation. The obligations of the Developer under this Disclosure Certificate shall terminate upon the earliest to occur of (a) the date on which (i) the Developer is no longer a Major Owner and (ii) the Developer no longer has any obligations under this Disclosure Certificate with respect to any Major Owner as a result of such obligations having been assumed under one or more Assumption Agreements entered into pursuant to Section 6 hereof, (b) the date on which the Developer has conveyed 123 or more homes within the Community Facilities District, or (c) the date on which all of the Bonds have been legally defeased, redeemed, or paid in full. The Developer's obligations under this Disclosure Certificate with respect to a Major Owner shall terminate upon the earliest to occur of (x) the date on which such Major Owner is no longer a Major Owner, as defined herein, or (y) the date on which the Developer's obligation with respect to such Major Owner are assumed under an Assumption Agreement entered into pursuant to Section 6 hereof; provided, however, that upon the occurrence of any of the events described in clauses (x) or (y), the Developer's obligations hereunder with respect to each other Major Owner, if any, shall remain in full force and effect. If the obligations of the Developer under this Disclosure Certificate terminate prior to the final maturity of the Bonds, the Developer shall give, or cause to be given, notice of such termination in a filing with the MSRB.

Section 8. Dissemination Agent. The Developer 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 such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign by providing 30 days' written notice to the Developer. The Developer shall be responsible for paying the fees and expenses of the Dissemination Agent.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Developer 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 subsection (a) of Section 2 hereof, Section 3 hereof or subsection (a) of Section 4 hereof, 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 the Developer, or the type of business conducted; and

(b) The proposed amendment or waiver (i) is approved by Owners of the Bonds in the manner provided in the Fiscal Agent Agreement for amendments to the Fiscal Agent Agreement with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of Owners or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Developer shall describe such amendment or waiver in the next Semi-Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type of financial information or operating data being presented by the Developer.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Developer 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 Semi-Annual Report or notice required to be filed pursuant to this Disclosure Certificate, in addition to that which is required by this Disclosure Certificate. If the Developer chooses to include any information in any Semi-Annual Report or notice in addition to that which is specifically required by this Disclosure Certificate, the Developer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Semi-Annual Report or notice of occurrence of a Listed Event or any other event required to be reported.

Section 11. Default. In the event of a failure of the Developer or the Dissemination Agent to comply with any provision of this Disclosure Certificate, the Owners of at least 25% of the aggregate principal amount of outstanding Bonds, may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Developer or the Dissemination Agent, as the case may be, 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 Developer or the Dissemination Agent to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties hereunder as are specifically set forth in this Disclosure Certificate. The Dissemination Agent shall not be responsible for the form or content of any Semi-Annual Report or notice of Listed Event. The Developer agrees to indemnify and save the Dissemination Agent, and its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur in the exercise or performance of its powers and duties hereunder, including the reasonable costs and expenses (including attorneys' fees) of defending against any claim of liability, and which are not due to its negligence or its willful misconduct. The obligations of the Developer under this Section shall survive the resignation or removal of the Dissemination Agent and the termination of this Disclosure Certificate.

Section 13. Notices. Notices should be sent in writing by regular, overnight or electronic mail to the following addresses. The following information may be conclusively relied upon until changed in writing.

Developer:	Century Communities of California, LLC 4695 MacArthur Court, Suite 300 Newport Beach, CA 92660 Attn: Chris Duran Email: chris.duran@centurycommunities.com With a copy to: O'Neil LLP 19800 MacArthur Blvd, Suite 650 Irvine, CA 92612 Attn: John Yeager Email: jyeager@oneil-llp.com
Community Facilities District:	Jurupa Community Services District 11201 Harrel Street Jurupa Valley, CA 91752 Attn: _____ Email: _____

Section 14. **Beneficiaries.** This Disclosure Certificate shall inure solely to the benefit of the Developer, the Dissemination Agent, the Community Facilities District, the Participating Underwriter and the owners and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 15. **Governing Laws.** This Disclosure Certificate shall be governed by and construed in accordance with the laws of the State of California.

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IN WITNESS WHEREOF, the Developer has executed this Disclosure Certificate as of the date first above written.

CENTURY COMMUNITIES OF CALIFORNIA, LLC
a Delaware limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT A

NOTICE OF FAILURE TO FILE SEMI-ANNUAL REPORT

Name of Issuer: Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District

Name of Issue: Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District 2026 Special Tax Bonds

Date of Issuance: December __, 2026

NOTICE IS HEREBY GIVEN that Century Communities of California, LLC, a Delaware limited liability company (the "**Developer**"), has not provided a Semi-Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate, dated as of December 1, 2026, executed and delivered by the Developer. [The Developer anticipates that such Semi-Annual Report will be filed by _____.]

Dated: _____ _____,
Century Communities of California, LLC

cc:
City of Jurupa Valley
Community Facilities District
No. 58 (Paradise Knolls))

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APPENDIX G

FORM OF OPINION OF BOND COUNSEL

[Closing Date]

Board of Directors
Jurupa Community Services District
11201 Harrel Street
Jurupa Valley, CA 91752

Re: $[_____] Community Facilities District No. 58 (Paradise Knolls) of Jurupa Community Services District 2026 Special Tax Bonds

Ladies and Gentlemen:

We have examined the Act, the Resolution, the Agreement and certified copies of the proceedings taken for the issuance and sale of the Bonds. As to questions of fact which are material to our opinions, we have relied upon the representations of the Services District contained in the Agreement, and in certificates of its authorized officers which have been delivered to us for the purpose of supplying such facts, without having undertaken to verify the accuracy of any such representations by independent investigation.

Based upon such examination, we are of the opinion, as of the date hereof, that the proceedings referred to above have been taken in accordance with the laws and the Constitution of the State of California, and that the Bonds, having been issued in duly authorized form and executed by the proper officials and delivered to and paid for by the purchaser thereof, and the Agreement, having been duly authorized and executed by the proper officials, constitute the legally valid and binding obligations of the District enforceable in accordance with their terms subject to the qualifications specified below. Except where funds are otherwise available, as may be permitted by law, the Bonds are payable, as to both principal and interest, solely from certain special taxes to be levied and collected within the District and other funds available therefor held under the Agreement.

The Internal Revenue Code of 1986, as amended (the "Code"), sets forth certain investment, rebate and related requirements which must be met subsequent to the issuance and delivery of the Bonds for the interest on the Bonds to be and remain exempt from federal income taxation. Noncompliance with such requirements could cause the interest on the Bonds to be subject to federal income taxation retroactive to the date of issuance of the Bonds. Pursuant to the Agreement, the Services District has covenanted to comply with the requirements of the Code and applicable regulations promulgated thereunder.

We are of the opinion that, under existing statutes, regulations, rulings and court decisions, and assuming compliance by the Services District with the aforementioned covenants, the interest on the Bonds is excluded from gross income for purposes of federal income taxation and that interest on the Bonds is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, interest on the Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on certain corporation.

We are further of the opinion that interest on the bonds is exempt from State of California personal income tax.

Although interest on the Bonds is excluded from gross income for purposes of federal income taxation,

the accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these tax consequences will depend on the recipient's particular tax status or other items of income or deduction. We express no opinion regarding any such consequences.

The opinions expressed herein may be affected by actions which may be taken (or not taken) or events which may occur (or not occur) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or occur or are not taken or do not occur.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Agreement may be subject to bankruptcy, insolvency, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted, and their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Respectfully submitted

APPENDIX H

INFORMATION CONCERNING THE DEPOSITORY TRUST COMPANY AND ITS BOOK-ENTRY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, premium, if any, accreted value and interest on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC to the District which the District believes to be reliable, but the District and the Underwriter do not and cannot make any independent representations concerning these matters and do not take responsibility for the accuracy or completeness thereof. Neither the DTC, Direct Participants, Indirect 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.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds 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 Bond will be issued for each annual maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited through the facilities of DTC.

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 3.6 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*.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("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 Bonds 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 Bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds 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 Bonds 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 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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.

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 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as prepayments, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds 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.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being prepaid, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds 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 the District or the Fiscal 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, the Fiscal Agent, or the District, 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 the District or the Fiscal 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.

A Bond Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Fiscal Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Fiscal Agent. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Fiscal Agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Fiscal Agent. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered to DTC.

THE FISCAL AGENT, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES TO OWNERS ONLY TO DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OF SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.