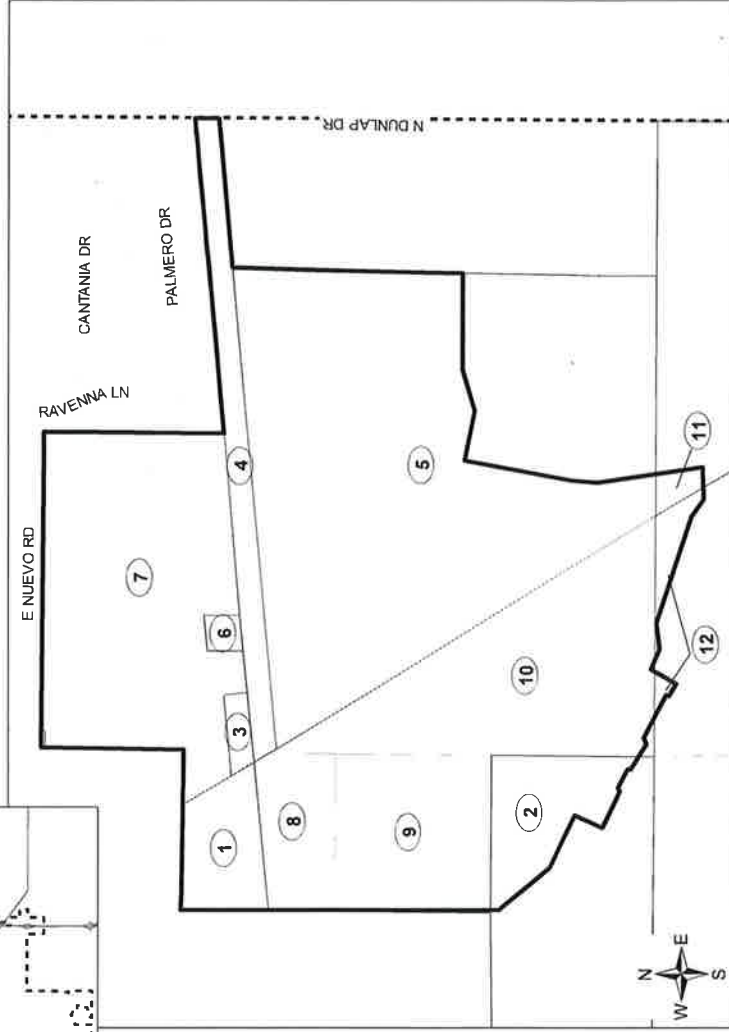
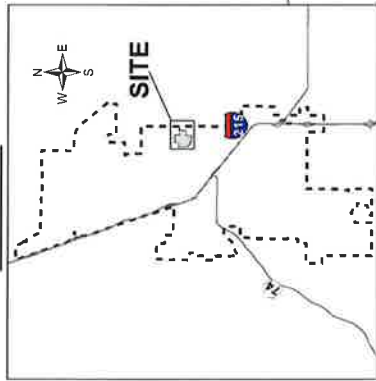


ATTACHMENT 1

Vicinity Map

MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST)

CITY OF PERRIS
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA



MAP REFERENCE NUMBER	ASSESSOR'S PARCEL NUMBER
1	310-180-008
2	Portion of 310-180-011
3	310-180-016
4	310-180-020
5	Portion of 310-180-021
6	310-180-048
7	310-180-055
8	310-180-061
9	310-180-062
10	Portion of 310-180-063
11	Portion of 310-190-010
12	Portion of 310-190-025

* REPRESENTS THE ASSESSOR PARCEL NUMBER FOR THOSE PARCELS OR PORTIONS THEREOF INCLUDED WITHIN THE BOUNDARY OF COUNTY OF RIVERSIDE TRACT MAP NO. 38375.

Legend

- Proposed CFD Boundary
- Map Reference Number
- City of Perris Boundary



FILED IN THE OFFICE OF THE CITY CLERK THIS _____ DAY OF _____, 20____.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST), CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS PREPARED BY THE CITY COUNCIL OF THE CITY OF PERRIS AT A REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF _____, 20____, BY ITS RESOLUTION NO. _____.

CITY CLERK
CITY OF PERRIS

FILED THIS _____ DAY OF _____, 20____, AT THE HOUR OF _____ O'CLOCK _____ M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT _____ IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

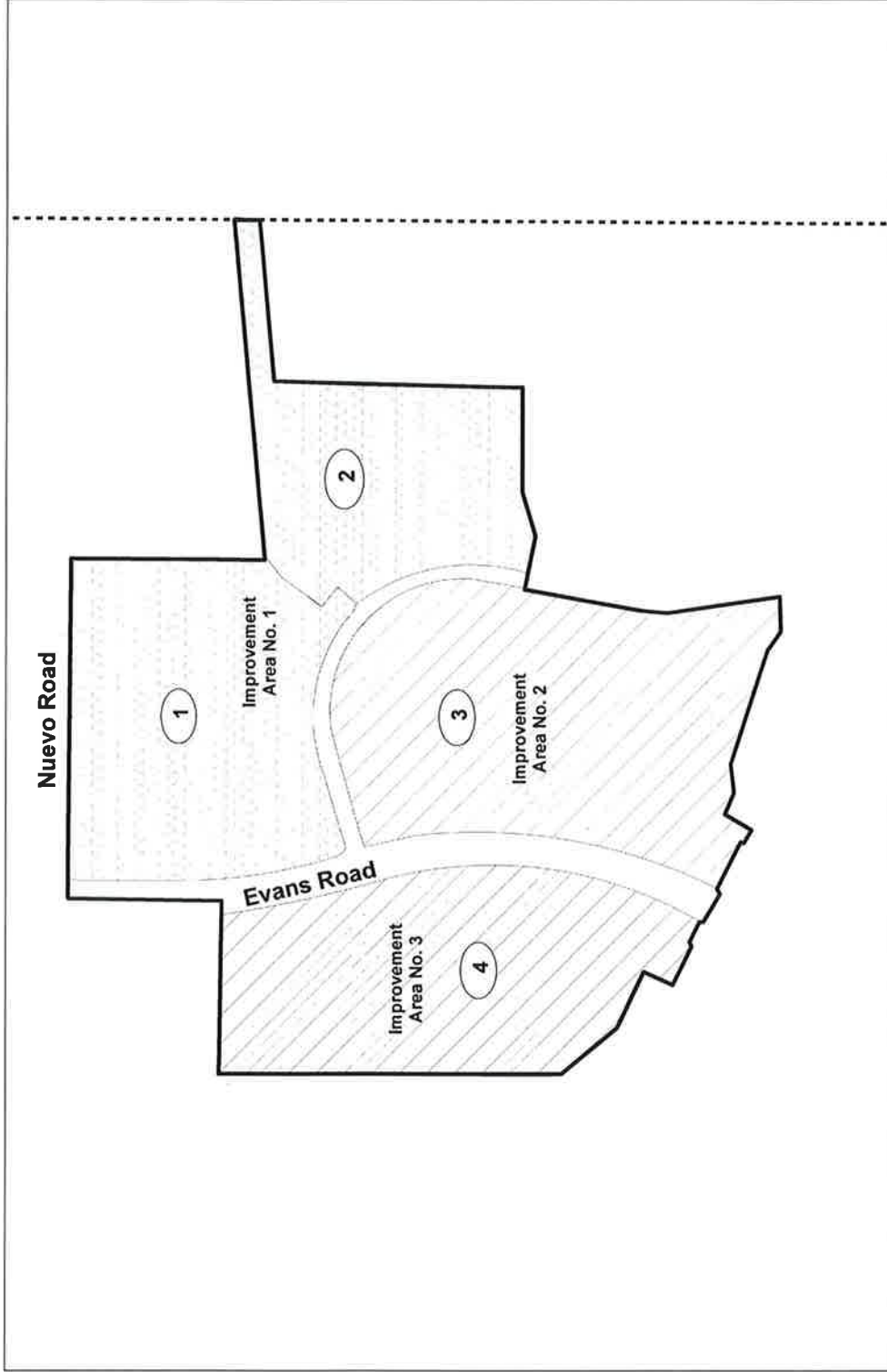
PETER ALDANA, ASSESSOR-COUNTY CLERK-RECORDER

BY DEPUTY
COUNTY RECORDER
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS MAP SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON COUNTY OF RIVERSIDE TRACT MAP NO. 38375 RECORDED IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA ON OCTOBER, _____, 2023 AS INSTRUMENT NUMBER 2023-_____.

MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST)

CITY OF PERRIS
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA



Legend

- Proposed CFD Boundary
- City of Perris Boundary
- Improvement Areas**
 - Improvement Area No. 1
 - Improvement Area No. 2
 - Improvement Area No. 3
- Lot Number of Tract Map No. 36375



ATTACHMENT 2

Landowners' Petition to create Community Facilities District (Including Consent and Waiver)

**PETITION TO CREATE A
COMMUNITY FACILITIES DISTRICT
(INCLUDING CONSENT AND WAIVER)**

November 1, 2023

City Council of the
City of Perris
101 N. D Street
Perris, California 92570

Members of the City Council:

This letter shall serve as a formal petition (the "Petition") requesting that the City Council of the City of Perris (the "Council") institute proceedings pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), being Chapter 2.5 of Part 1 of Division 2 of title 5 (commencing with Section 53311) of the California Government Code to create a new community facilities district. The undersigned landowner does hereby certify under penalty of perjury that the following statements are all true and correct:

1. This Petition is submitted by PW Land Investments L.P., a Delaware limited partnership (the "Petitioner"), as the record owner of 100% of the area of land proposed to be included within the new community facilities district (the "Property"). The Property is identified in Exhibit A attached hereto and hereby made a part of this Petition (the "Boundary Map").

2. The Petitioner has the power and authority to execute and deliver this Petition to the Council of the City of Perris (the "City") and to give the consent and waiver contained herein with respect to the community facilities district comprised of three improvement areas designated as "Improvement Area No. 1", "Improvement Area No. 2", and "Improvement Area No. 3" (each, an "Improvement Area") to be established under the Act and designated as "Community Facilities District No. 2022-4 (Park West) of the City of Perris" (the "District"), which such District will include the Property. Moreover, the Petitioner has taken all action necessary to cause this Petition to be executed and delivered on its behalf, and this Petition has been duly and validly executed and delivered on behalf of the Petitioner.

3. The Petitioner hereby certifies that as of the date indicated opposite his/her signature, the landowner listed herein is the owner of all of the Property to be included in each Improvement Area of the District, which such boundary is further delineated in Exhibit A.

4. The Petitioner, pursuant to Section 53318 of the Act, hereby requests that the proceedings be commenced (i) to establish the District and designate three improvement areas therein as Improvement Area No. 1, Improvement Area No. 2, and Improvement Area No. 3 for the purpose of financing public facilities and fees of the City and/or the Eastern Municipal Water District and/or the Perris Elementary School District and/or the Riverside County Flood Control District described in Exhibit B hereto (the "Facilities") and the incidental expenses to be incurred in connection with financing the Facilities and forming and administering the District, (ii) to

authorize the levy of special taxes within each Improvement Area of the District to finance the Facilities, (iii) to authorize the issuance of one or more series of bonds for each Improvement Area of the District and (iv) to establish an appropriations limit for the District.

5. The Petitioner agrees that it has reviewed the proposed rate and method of apportionment of Special Tax for each Improvement Area of the District (attached hereto as Exhibit C, Exhibit D, and Exhibit E, respectively (each, a "RMA")), and made a part hereof, which each RMA is proposed to be used by the City to levy the special tax in the respective Improvement Area of the District to pay for the Facilities and other authorized purposes. The final RMAs will be approved at the completion of all proceedings to form the District by the City under the Act.

6. The Petitioner hereby requests that the special elections to be held under the Act to authorize the special taxes, to authorize the issuance of one or more series of bonds and to establish an appropriations limit for the District be consolidated into a single election.

7. In accordance with the provisions of the Act, and specifically Sections 53326(a) and 53327(b) thereof allowing certain time and conduct requirements relative to a special landowner election to be waived with the unanimous consent of all the landowners to be included in a community facilities district and concurrence of the election official conducting the election, the Petitioner (i) expressly consents to the conduct of the special election at the earliest possible time following the adoption by the Council of a resolution of formation establishing the District and (ii) expressly waives any requirement to have the special election conducted within the time periods specified in Section 53326 of the Act or in the California Elections Code.

8. The Petitioner waives any requirement for the mailing of the ballot for the special election and expressly agrees that said election may be conducted by mailed or hand-delivered ballot to be returned as quickly as possible to the designated election official, being the office of the City Clerk and the Petitioner requests that the results of said election be canvassed and reported to the Council at the same meeting of the Council as the public hearing on the formation of the District or the next available meeting.

9. The Petitioner expressly waives all applicable waiting periods for the election and waives the requirement for analysis and arguments relating to the special election, as set forth in Section 53327 of the Act or required by the California Government Code or California Elections Code, and consents to not having such materials provided to the landowner in the ballot packet, and expressly waives any requirements as to the form of the ballot.

10. The Petitioner expressly waives all notice and ballot requirements relating to hearings and special elections, whether by posting, publishing or mailing, and whether such requirements are found in the California Elections Code, the California Government Code or other laws or procedures.

11. The Petitioner represents and warrants that there are no registered voters residing on the Property and that it is the legal owner of the fee interest in one hundred percent (100%) of the Property proposed to be included in the District and that no other person or entity is the legal owner of all or any portion of the fee interest in any of such property. The Petitioner warrants

that there are no liens or encumbrances on the Property in the favor of any lender, including but not limited to any deeds of trust, mortgages, or liens of a similar nature.

12. The Petitioner represents and warrants that there is no outstanding debt on the Property.

13. The Petitioner represents and warrants that the execution of this Petition and the casting of ballots by the Petitioner at the property owner election for the formation of the District shall not constitute an event of default or delinquency under any existing financing documents entered into by Petitioner secured by the land owned by the Petitioner within the District, including any "due-on-encumbrance" clause.

14. The Petitioner agrees to cooperate with the City, its attorneys and consultants, and provide all information and disclosures reasonably required by the City disclosing the special tax to purchasers of property in the district that are subject to the special tax.

15. The Petitioner agrees to execute such additional or supplemental agreements as may be required by the City to provide for any actions and conditions under this Petition. The Petitioner further agrees that this Petition shall not be considered as filed with the City for purposes of commencing proceedings for the District under the Act unless and until deemed filed by the City in its absolute discretion.

16. It is the Petitioner's intention to proceed as quickly as possible with forming the District.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, we hereunto set our hands this November 1, 2023.

PW Land Investments L.P.,
a Delaware limited partnership

By: Mission Pacific Investors, LLC.
a Delaware limited liability company

Its: General Partner

By: Randall C. Luce
Randall C. Luce
Managing Principal

The formation encompasses the following property owned by the Petitioner:

Assessor's Parcel Number(s): 310-180-008; Portion of 310-180-011; 310-180-016; 310-180-020; Portion of 310-180-021; 310-180-048; 310-180-055; 310-180-061; 310-180-062; Portion of 310-180-063; Portion of 310-190-010; Portion of 310-190-025

The address of the above owner for receiving notices is:

Attention: Mark Rael
PW Land Investments L.P.
4100 Newport Place Drive, Suite 790
Newport Beach, CA 92660

7th FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF PERRIS THIS
DAY OF NOVEMBER, 2023.

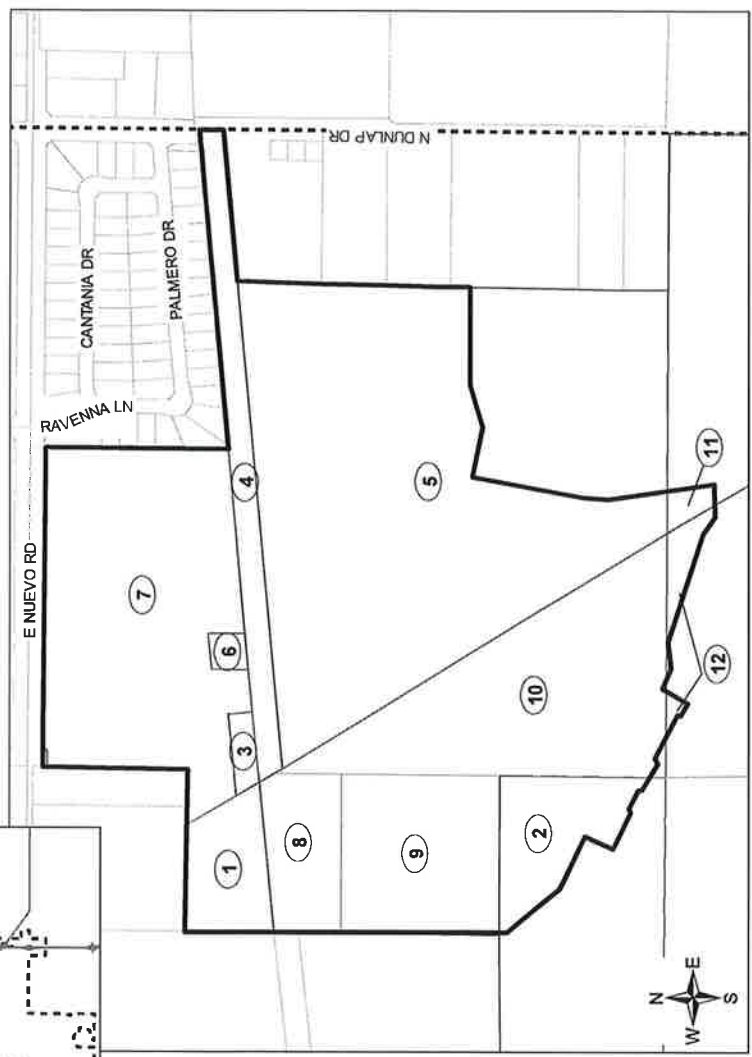
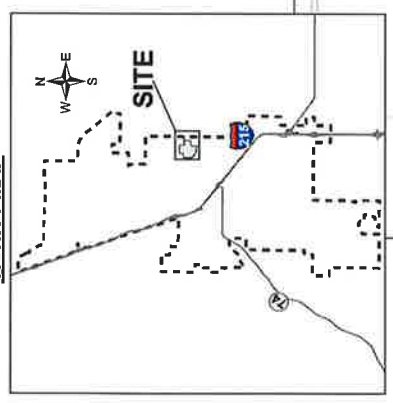
Judith L. DeYoung
for City Clerk

EXHIBIT A
PROPOSED BOUNDARY OF THE DISTRICT

[SEE ATTACHED]

MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST)

CITY OF PERRIS
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK THIS _____ DAY OF _____, 20____.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST), CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF PERRIS AT A REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF _____, 20____, BY ITS RESOLUTION NO. _____.

CITY CLERK
CITY OF PERRIS

FILED THIS _____ DAY OF _____, 20____, AT THE HOUR OF _____ O'CLOCK _____ M., IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE(S) _____ IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

PETER ALDANA, ASSESSOR-COUNTY CLERK-RECORDER

BY DEPUTY RECORDER
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS MAP SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON COUNTY OF RIVERSIDE TRACT MAP NO. 38375, RECORDED IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA ON OCTOBER _____, 2023 AS INSTRUMENT NUMBER 2023-_____.

MAP REFERENCE NUMBER	ASSESSOR'S PARCEL NUMBER
1	310-180-008
2	Portion of 310-180-011
3	310-180-016
4	310-180-020
5	Portion of 310-180-021
6	310-180-048
7	310-180-055
8	310-180-061
9	310-180-062
10	Portion of 310-180-063
11	Portion of 310-190-010
12	Portion of 310-190-025

* REPRESENTS THE ASSESSOR PARCEL NUMBER FOR THOSE PARCELS OR PORTIONS THEREOF INCLUDED WITHIN THE BOUNDARY OF COUNTY OF RIVERSIDE TRACT MAP NO. 38375.

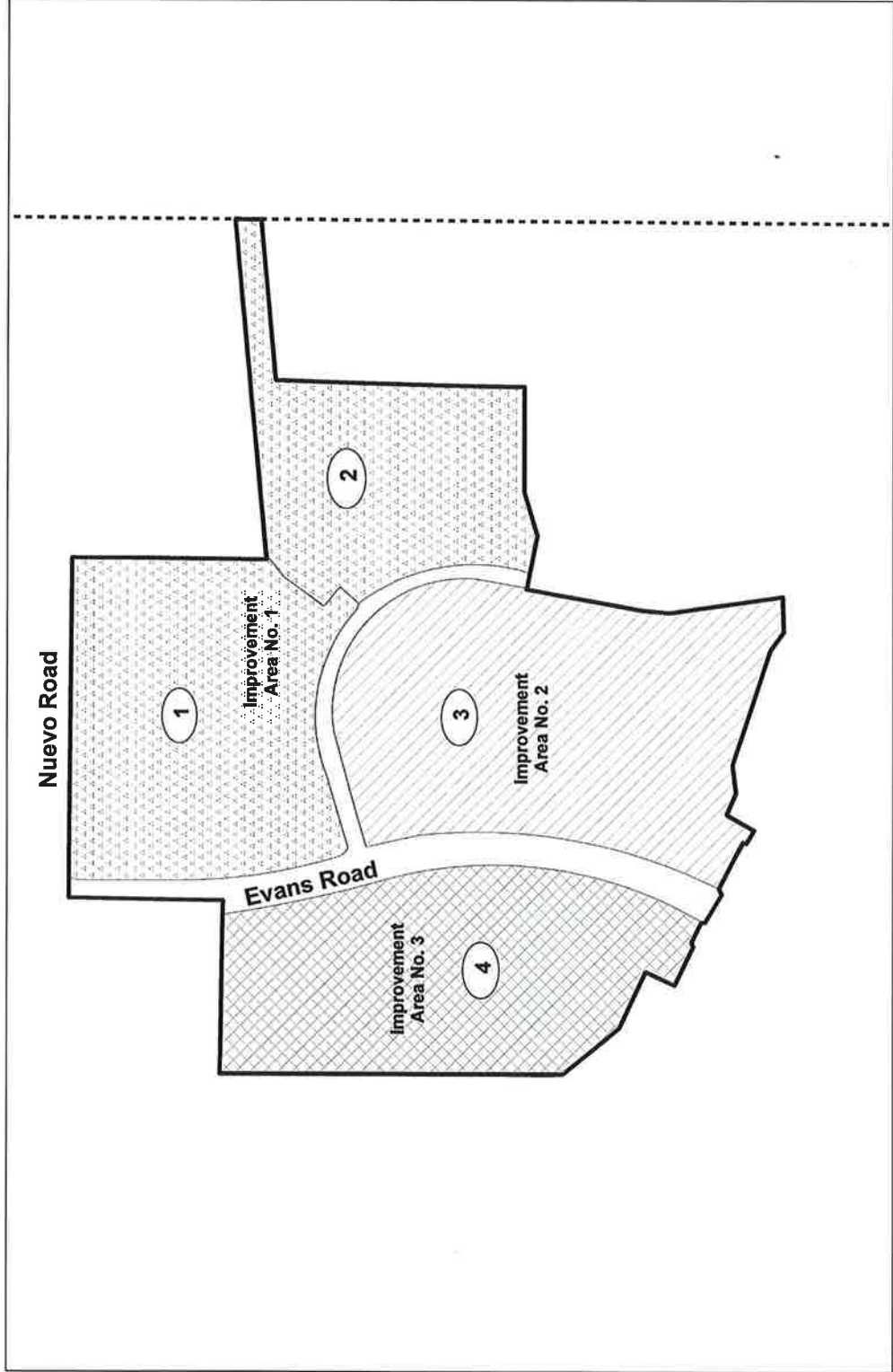
Legend

- Proposed CFD Boundary
- Map Reference Number
- City of Perris Boundary



MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST)

CITY OF PERRIS
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA



Legend

- Proposed CFD Boundary
- City of Perris Boundary
- Improvement Areas**
 - Improvement Area No. 1
 - Improvement Area No. 2
 - Improvement Area No. 3
- Lot Number of Tract Map No. 38375

WILLDAN
Financial Services
27088 VIA INDUSTRIA, SUITE #200
TERRACINA, CA 92590
(951) 567-5500

EXHIBIT B

TYPES OF PUBLIC FEES AND FACILITIES

The General Description of the Facilities that may be acquired or constructed is as follows:

- Street facilities, including, but not limited to, major arterials, highways, bridge facilities, regional transportation facilities and streets, intersections, access ramps, roadways, sidewalk, curb, gutters, striping, lighting, traffic signalization, signage, landscaping of public streets and rights-of-way and appurtenant facilities;
- Storm control facilities, including, but not limited to, storm drains, channels, detention, headwalls, riprap pads, water quality basins, retention and/or catch basins and appurtenant facilities;
- Sewer improvements, sanitary sewers, including, but not limited to, lift stations, force mains, pump stations, transmission and main lines, valves, and appurtenant facilities;
- Domestic water facilities, including, but not limited to, reservoirs, pump stations, transmission lines, distribution facilities, main lines, valves, fire hydrants and appurtenant facilities;
- Park, recreational facilities, trails, open space and appurtenant facilities;
- Impact and other City or public agency fees, including but not limited to, Transportation Uniform Mitigation Fees, Development Impact Fees, school fees, water fees, drainage fees, sewer treatment and connection fees, water supply fees, water meter fees, water connection fees, storm drain fees, capital facilities' fees and other city or public agency fees and all capital facilities which are part of these fee programs and capital improvement programs;
- Utility undergrounding and dry utilities;
- Incidental expenses;
- City facilities.

OTHER

The District may also finance any of the following:

1. Bond related expenses, including underwriters' discount, reserve fund, capitalized interest, financial advisor fees and expenses, bond and disclosure counsel, special tax consultant fees and expenses, dissemination agent fees and all other incidental expenses.

2. Administrative fees of the City and the Bond trustee or fiscal agent related to the District and the Bonds.

3. Reimbursement of costs related to the formation of the District advanced by the City or any related entity, or any landowner or developer within the District, as well as reimbursement of any costs advanced by the City or any related entity, or any landowner or developer within the District, for facilities or other purposes or costs of the District.

This description of the public capital facilities is general in nature. The final nature and location of improvements and facilities will be determined upon the preparation of final plans and specifications. The final plans and specifications may show substitutes in lieu of, or modifications to, proposed work. Any such substitution shall not be a change or modification in the proceedings as long as the facilities provide a service substantially similar to that as set forth in the city officer's report, containing a brief description of the facilities which will be required to adequately meet the needs of the District.

EXHIBIT C

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
OF IMPROVEMENT AREA NO. 1 OF
COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST)**

[SEE ATTACHED]

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST) IMPROVEMENT AREA NO. 1

A Special Tax shall be levied on all Taxable Property within the boundaries of Improvement Area No. 1 of Community Facilities District No. 2022-4 (Park West) of the City of Perris (“CFD No. 2022-4 IA1”) and collected each Fiscal Year commencing in Fiscal Year 2024-25, in an amount determined by the CFD Administrator through the application of the procedures described below. All of the real property within CFD No. 2022-4 IA1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

1. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Acre**” or “**Acreage**” means the land area of an Assessor’s Parcel as shown on an Assessor’s Parcel Map, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Final Map. An Acre means 43,560 square feet of land.

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

“**Administrative Expenses**” means the following actual or reasonably estimated costs related to the administration of CFD No. 2022-4 IA1 including, but not limited to: the costs of preparing and computing the Annual Special Tax (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City, the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2022-4 IA1, or any designee thereof complying with arbitrage rebate requirements, including without limitation rebate liability costs and periodic rebate calculations; the costs to the City, CFD No. 2022-4 IA1, or any designee thereof complying with disclosure or reporting requirements of the City or CFD No. 2022-4 IA1, associated with applicable federal and State laws; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs to the City, CFD No. 2022-4 IA1, or any designee thereof related to an appeal of the Special Tax; and the City’s annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2022-4 IA1 for any other administrative purposes of CFD No. 2022-4 IA1, including attorney’s fees and other costs related to commencing and pursuing any foreclosure of delinquent Special Taxes.

“**Annual Special Tax**” means the Special Tax actually levied in any Fiscal Year on any Assessor’s Parcel.

“**Assessor**” means the Assessor of the County of Riverside.

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

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

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

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

“Backup Special Tax” means the Special Tax of that name described in Section 3.B below.

“Bonds” means any bonds or other Debt of CFD No. 2022-4 IA1, whether in one or more series, secured by the levy of Special Taxes.

“Boundary Map” means the map of the boundaries of CFD No. 2022-4 recorded on ___ in the Riverside County Recorder's Office in Book __, Page __, of Maps of Assessments and Community Facilities Districts (instrument number ___-___).

“Building Permit” means a building permit for construction of a Residential Unit within CFD No. 2022-4 IA1 issued by the City.

“Building Square Footage” means all of the square footage of usable area within the perimeter of a primary residential structure, not including any carport, walkway, garage, overhang, or similar area. The determination of Building Square Footage shall be made by reference to the Building Permit(s) issued for such Assessor's Parcel and/or by reference to appropriate records kept by the City.

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

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

“CFD No. 2022-4” means the Community Facilities District No. 2022-4 (Park West) Improvement Area No. 1 of the City of Perris.

“City” means the City of Perris, California.

“Council” means the City Council of the City acting as the legislative body of CFD No. 2022-4 under the Act.

“County” means the County of Riverside, California.

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

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

“Developed Property” means for each Fiscal Year, all Taxable Property, exclusive of Provisional Property and Provisional Welfare Property, for which a Building Permit was issued prior to May

1 of the previous Fiscal Year. An Assessor's Parcel classified as Developed Property but for which the Building Permit that caused such Assessor's Parcel to be classified as Developed Property has been cancelled and/or voided prior to the Fiscal Year for which Special Taxes are being levied shall be reclassified as Undeveloped Property, provided that the levy of the Annual Special Tax after such reclassification shall not be less than 1.1 times the annual Debt Service less Administrative Expenses on all Outstanding Bonds. If Bonds have not been issued, an Assessor's Parcel classified as Developed Property for which such a Building Permit has been cancelled and/or voided shall be reclassified as Undeveloped Property.

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

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

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

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

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

"Lot" means a parcel created by a Final Map on which a Residential Unit can be constructed.

"Lower Income Households Welfare Exemption Property" means, for each Fiscal Year, an Assessor's Parcel that is entitled to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code (or any successor statute), as indicated in the County Assessor's roll finalized as of January 1 of the previous Fiscal Year; provided that such Assessor's Parcel shall not be classified as Lower Income Households Welfare Exemption Property if Debt is outstanding for CFD No. 2022-4 IA1 and the Assessor's Parcel was assumed to be subject to the Special Tax prior to receiving the exemption, in which case the Assessor's Parcel shall remain subject to the Special Tax and the Special Tax shall be enforceable against the Assessor's Parcel.

"Maximum Special Tax" means for each Assessor's Parcel, the maximum Special Tax, determined in accordance with Sections 3.C and 3.D below, which may be levied in a given Fiscal Year on such Assessor's Parcel of Taxable Property.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit has been issued for the purpose of constructing one or more non-residential units or facilities.

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

"Prepayment Amount" means the amount required to prepay the Annual Special Tax obligation in full in or in part for an Assessor's Parcel as described in Section 6 below.

"Property Owner Association Property" means any Assessor's Parcel within the boundaries of CFD No. 2022-4 IA1 owned in fee by a property owner association, including any master or sub-association.

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

“Provisional Property” means all Assessor’s Parcels of Public Property, Property Owner Association Property or property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage as set forth in Section 8.

“Provisional Welfare Property” means all Assessor’s Parcels of Lower Income Households Welfare Exemption Property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage as set forth in Section 8.

“Public Property” means any property within the boundaries of CFD No. 2022-4 IA1, which is owned by, or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency; provided however that any property owned by a public agency and leased to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

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

“Residential Unit” means each separate residential dwelling unit that comprises an independent facility capable of conveyance or rental, separate from adjacent residential dwelling units. This definition does not include Accessory Dwelling Units as defined in the State of California Government Code section 65852.2.

“Special Tax” means any special tax levied within CFD No. 2022-4 IA1 pursuant to the Act and this Rate and Method of Apportionment of Special Tax.

“Special Tax Obligation” means the total obligation of an Assessor’s Parcel of Taxable Property to pay the Special Tax for the remaining life of CFD No. 2022-4 IA1.

“Special Tax Requirement” means that amount required in any Fiscal Year to: (i) pay regularly scheduled Debt Service on all Outstanding Bonds; (ii) pay periodic costs on the Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on the Outstanding Bonds; (iii) pay Administrative Fees and Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) accumulate funds to pay directly for acquisition or construction of facilities provided that the inclusion of such amount does not result in a levy beyond Step 1 of Section 4; and (vi) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less (vii) a credit for funds available to reduce the Annual Special Tax levy, as determined by the CFD Administrator pursuant to the Indenture.

“State” means the State of California.

“Taxable Property” means all of the Assessor's Parcels within the boundaries of CFD No. 2022-4 IA1, which are not exempt from the levy of the Special Tax pursuant to law or Section 8 below.

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

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

2. LAND USE CLASSIFICATION

Each Fiscal Year, beginning with Fiscal Year 2024-25, each Assessor’s Parcel within CFD No. 2022-4 IA1 shall be classified as Taxable Property or Exempt Property. In addition, all Taxable Property shall further be classified as Developed Property, Undeveloped Property, Provisional Welfare Property, or Provisional Property, and all such Taxable Property shall be subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment of Special Tax determined pursuant to Sections 3 and 4 below. Furthermore, each Assessor’s Parcel of Developed Property and Provisional Welfare Property shall be classified according to its applicable Land Use Class based on its Building Square Footage.

3. SPECIAL TAX RATES

A. Assigned Special Tax for Developed Property and Provisional Welfare Property

The Assigned Special Tax applicable to an Assessor's Parcel classified as Developed Property or Provisional Welfare Property commencing in Fiscal Year 2024-25 shall be determined pursuant to Table 1 below.

**Table 1
Assigned Special Tax
Fiscal Year 2024-25**

Land Use Class	Land Use Type	Building Square Footage	Assigned Special Tax
1	Residential Property	> 3,300	\$3,253 per Residential Unit
2	Residential Property	3,101 – 3,300	\$3,136 per Residential Unit
3	Residential Property	2,901 – 3,100	\$3,019 per Residential Unit
4	Residential Property	2,701 – 2,900	\$2,902 per Residential Unit
5	Residential Property	2,501 – 2,700	\$2,785 per Residential Unit
6	Residential Property	2,301 – 2,500	\$2,667 per Residential Unit
7	Residential Property	2,101 – 2,300	\$2,550 per Residential Unit
8	Residential Property	≤ 2,100	\$2,432 per Residential Unit
9	Non-Residential Property	N/A	\$18,150 per Acre

Each July 1, commencing July 1, 2025, the Assigned Special Tax for Developed Property and Provisional Welfare Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

B. Backup Special Tax for Developed Property and Provisional Welfare Property

The Backup Special Tax for Developed Property and Provisional Welfare Property commencing in Fiscal Year 2024-25 shall be \$18,150 per Acre. Each July 1, commencing July 1, 2025, the Backup Special Tax for Developed Property and Provisional Welfare Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

For the purpose of calculating the Backup Special Tax, the land area applicable to a Condominium shall be computed from the Acreage of the Lot on which the Condominium is located, with the Acreage for such Lot allocated equally among all of the Condominiums located or to be located on such Lot.

C. Maximum Special Tax for Developed Property and Provisional Welfare Property

The Maximum Special Tax for Developed Property and Provisional Welfare Property shall be the greater of the Assigned Special Tax for Developed Property and Provisional Welfare Property or the Backup Special Tax for Developed Property and Provisional Welfare Property.

D. Maximum Special Tax for Provisional Property and Undeveloped Property

The Maximum Special Tax for Provisional Property and Undeveloped Property commencing in Fiscal Year 2024-25 shall be \$18,150 per Acre. Each July 1, commencing July 1, 2025, the Maximum Special Tax for Provisional Property and Undeveloped Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

4. METHOD OF APPORTIONMENT

For each Fiscal Year, commencing Fiscal Year 2024-25, the CFD Administrator shall levy the Special Tax on all Taxable Property in accordance with the following steps:

Step 1: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property in an amount up to 100% of the applicable Assigned Special Tax as necessary to satisfy the Special Tax Requirement;

Step 2: If additional monies are needed to satisfy the Special Tax Requirement after Step 1 has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property;

Step 3: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax amount determined in Step 1 shall be increased Proportionately on each Assessor's Parcel of Developed Property up to 100% of the Maximum Special Tax for Developed Property;

Step 4: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Welfare Property up to 100% of the Maximum Special Tax for Provisional Welfare Property;

Step 5: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Property up to 100% of the Maximum Special Tax for Provisional Property;

Notwithstanding the above, under no circumstances will the Special Tax levied in any Fiscal Year against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of a delinquency or default in the payment of the Special Tax applicable to any other Assessor's Parcel within CFD No. 2022-4 IA1 by more than ten percent (10%) above what would have been levied in the absence of such delinquencies or defaults.

5. COLLECTION OF SPECIAL TAXES

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

6. PREPAYMENT OF SPECIAL TAX OBLIGATION

A. Prepayment in Full

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

"CFD Public Facilities Costs" means \$9,500,000 or such lower number as (i) shall be determined by the CFD Administrator as sufficient to acquire or construct the facilities to be financed under the Act and financing program for CFD No. 2022-4 IA1, or (ii) shall be determined by the Council concurrently with a covenant that it will not issue any more Bonds (except refunding bonds).

"Construction Fund" means the fund (regardless of its name) established pursuant to the Indenture to hold funds, which are currently available for expenditure to acquire or construct the facilities or pay fees authorized to be funded by CFD No. 2022-4.

"Future Facilities Costs" means the CFD Public Facilities Costs minus (i) costs previously paid from the Construction Fund to acquire or construct the facilities, (ii) monies currently on deposit in the Construction Fund, and (iii) monies currently on deposit in an escrow or other designated fund that are expected to be available to finance CFD Public Facilities Costs.

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

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

The Special Tax Obligation applicable to an Assessor’s Parcel of Taxable Property for which a Building Permit has been issued or is anticipated to be issued may be prepaid and the obligation to pay the Special Tax for such Assessor’s Parcel permanently satisfied as described herein, provided that a prepayment may be made with respect to a particular Assessor’s Parcel only if there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment or the delinquent special taxes are paid off concurrently with the prepayment to the satisfaction of the CFD Administrator. An owner of an Assessor’s Parcel eligible to prepay the Special Tax Obligation shall provide the CFD Administrator with written notice of intent to prepay, and designate or identify the company or agency that will be acting as the escrow agent, if any. The CFD Administrator shall provide the owner with a statement of the Prepayment Amount for such Assessor’s Parcel within thirty (30) days of the request, and may charge a reasonable fee for providing this service. Prepayment must be made at least 60 days prior to any redemption date for the CFD No. 2022-4 IA1 Bonds to be redeemed with the proceeds of such prepaid Special Taxes, unless a shorter period is acceptable to the Trustee and the City.

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

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

As of the proposed date of prepayment, the Prepayment Amount (defined in Step 14 below) shall be calculated as follows:

Step No.:

1. Confirm that no Special Tax delinquencies apply to such Assessor’s Parcel.
2. For Assessor’s Parcels of Developed Property, determine the Maximum Special Tax. For Assessor’s Parcels of Undeveloped Property for which a Building Permit has been issued, compute the Maximum Special Tax for that Assessor’s Parcel as though it was already designated as Developed Property, based upon the Building Permit which has already been issued for that Assessor’s Parcel.
3. Divide the Maximum Special Tax computed pursuant to paragraph 2 by the total expected Maximum Special Tax revenue for CFD No. 2022-4 IA1 assuming all Building Permits have been issued (build-out) within CFD No. 2022-4 IA1, excluding any Assessor’s Parcels for which the Special Tax Obligation has been previously prepaid.

4. Multiply the quotient computed pursuant to paragraph 3 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid for all applicable parcels and round that amount up to the nearest \$5,000 increment (the “Bond Redemption Amount”).
5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (expressed as a percentage), if any, on the Outstanding Bonds to be redeemed at the first available call date (the “Redemption Premium”).
6. Compute the Future Facilities Costs.
7. Multiply the quotient computed pursuant to paragraph 3 by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the “Future Facilities Prepayment Amount”).
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the expected redemption date for the Outstanding Bonds which, depending on the Indenture, may be as early as the next interest payment date, but the redemption date may be any date determined by the CFD Administrator as convenient and appropriate and permitted by the Indenture and does not have to be the next interest payment date.
9. Compute the amount the CFD Administrator reasonably expects to derive from the reinvestment of the Prepayment Amount less the Future Facilities Prepayment Amount and the Prepayment Administrative Fees from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.
10. Subtract the amount computed in paragraph 9 from the amount computed in paragraph 8 (the “Defeasance Amount”).
11. Calculate the administrative fees and expenses of CFD No. 2022-4 IA1, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming CFD No. 2022-4 IA1, and the costs of recording any notices to evidence the prepayment and the redemption (the “Prepayment Administrative Fees”).
12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment calculation date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the “Reserve Fund Credit”). No Reserve Fund Credit shall be granted if, after the Prepayment Amount is calculated, reserve funds are below 100% of the reserve requirement.
13. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to paragraph 3 by the expected balance in the

capitalized interest fund after such first interest and/or principal payment (the “Capitalized Interest Credit”).

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

15. From the Prepayment Amount, the sum of the amounts computed pursuant to paragraphs 4, 5, and 10, less the amounts computed pursuant to paragraphs 12 and 13 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make Debt Service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Construction Fund. The amount computed pursuant to paragraph 11 shall be retained by CFD No. 2022-4.

The Prepayment Amount may be sufficient to redeem an amount other than a \$5,000 increment of CFD No. 2022-4 IA1 Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to redeem CFD No. 2022-4 IA1 Bonds to be used with the next prepayment of CFD No. 2022-4 IA1 Bonds.

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

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

B. Partial Prepayment

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

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

These terms have the following meaning:

PP = the partial prepayment

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

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

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

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

With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section 6.A., and (ii) indicate in the records of CFD No. 2022-4 IA1 that there has been a partial prepayment of the Special Tax Obligation and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel.

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

7. TERM OF SPECIAL TAX

The Special Tax shall be levied as long as necessary to meet the Special Tax Requirement for a period not to exceed fifty (50) Fiscal Years commencing with Fiscal Year 2024-25, provided however that the Special Tax will cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined that all required interest and principal payments on CFD No. 2022-4 IA1 bonds have been paid.

8. EXEMPTIONS

The CFD Administrator shall classify as Exempt Property (i) Assessor's Parcels of Public Property, (ii) Assessor's Parcels of Property Owner Association Property, or (iii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Lower Income Households Welfare Exemption Property, and (vi) Assessor's Parcels of Developed Property classified as Non-Residential Property as determined reasonably by the CFD Administrator, provided that no such classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA1 to less than 33.00 Acres. Assessor's Parcels of Lower Income Households Welfare Exemption Property which cannot be classified as Exempt Property because such classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA1 to less than 33.00 Acres shall be classified as Provisional Welfare Property and will continue to be subject to the CFD No. 2022-4 IA1 Special Taxes accordingly. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce

the sum of all Taxable Property in CFD No. 2022-4 IA1 to less than 33.00 Acres shall be classified as Provisional Property and will continue to be subject to the CFD No. 2022-4 IA1 Special Taxes accordingly. Tax exempt status for the purpose of this paragraph will be assigned by the CFD Administrator in the chronological order in which property becomes eligible for classification as Exempt Property.

If the use of an Assessor's Parcel of Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in the first paragraph of Section 8 above that would make such Assessor's Parcel eligible to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property.

9. APPEALS

Any landowner who pays the Special Tax and claims the amount of the Special Tax levied on his or her Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error not later than thirty-six (36) months after first having paid the first installment of the Special Tax that is disputed. If following such consultation the CFD Administrator determines that an error has occurred, then the CFD Administrator shall take any of the following actions, in order of priority, in order to correct the error:

- (i) Amend the Special Tax levy on the landowner's Assessor's Parcel(s) for the current Fiscal Year prior to the payment date,
- (ii) Require the CFD to reimburse the landowner for the amount of the overpayment to the extent of available CFD funds, or
- (iii) Grant a credit against, eliminate or reduce the future Special Taxes on the landowner's Assessor's Parcel(s) in the amount of the overpayment.

If following such consultation and action by the CFD Administrator the landowner believes such error still exists, such person may file a written notice of appeal with the City Council. Upon the receipt of such notice, the City Council or designee may establish such procedures as deemed necessary to undertake the review of any such appeal. If the City Council or designee determines an error still exists, the CFD Administrator shall take any of the actions described as (i), (ii) and (iii) above, in order of priority, in order to correct the error.

10. INTERPRETATIONS

The City Council or designee thereof shall interpret this Rate and Method of Apportionment of Special Tax for purposes of clarifying any ambiguities and make determinations relative to the administration of the Special Tax and any landowner appeals. The decision of the City Council or designee shall be final.

EXHIBIT D

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
OF IMPROVEMENT AREA NO. 2 OF
COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST)**

[SEE ATTACHED]

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST) IMPROVEMENT AREA NO. 2

A Special Tax shall be levied on all Taxable Property within the boundaries of Improvement Area No. 2 of Community Facilities District No. 2022-4 (Park West) of the City of Perris (“CFD No. 2022-4 IA2”) and collected each Fiscal Year commencing in Fiscal Year 2024-25, in an amount determined by the CFD Administrator through the application of the procedures described below. All of the real property within CFD No. 2022-4 IA2, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

1. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“Acre” or “Acreage” means the land area of an Assessor’s Parcel as shown on an Assessor’s Parcel Map, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Final Map. An Acre means 43,560 square feet of land.

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

“Administrative Expenses” means the following actual or reasonably estimated costs related to the administration of CFD No. 2022-4 IA2 including, but not limited to: the costs of preparing and computing the Annual Special Tax (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City, the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2022-4 IA2, or any designee thereof complying with arbitrage rebate requirements, including without limitation rebate liability costs and periodic rebate calculations; the costs to the City, CFD No. 2022-4 IA2, or any designee thereof complying with disclosure or reporting requirements of the City or CFD No. 2022-4 IA2, associated with applicable federal and State laws; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs to the City, CFD No. 2022-4 IA2, or any designee thereof related to an appeal of the Special Tax; and the City’s annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2022-4 IA2 for any other administrative purposes of CFD No. 2022-4 IA2, including attorney’s fees and other costs related to commencing and pursuing any foreclosure of delinquent Special Taxes.

“Annual Special Tax” means the Special Tax actually levied in any Fiscal Year on any Assessor’s Parcel.

“Assessor” means the Assessor of the County of Riverside.

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

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

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

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

“Backup Special Tax” means the Special Tax of that name described in Section 3.B below.

“Bonds” means any bonds or other Debt of CFD No. 2022-4 IA2, whether in one or more series, secured by the levy of Special Taxes.

“Boundary Map” means the map of the boundaries of CFD No. 2022-4 recorded on _____ in the Riverside County Recorder's Office in Book __, Page __, of Maps of Assessments and Community Facilities Districts (instrument number ____ - ____).

“Building Permit” means a building permit for construction of a Residential Unit within CFD No. 2022-4 IA2 issued by the City.

“Building Square Footage” means all of the square footage of usable area within the perimeter of a primary residential structure, not including any carport, walkway, garage, overhang, or similar area. The determination of Building Square Footage shall be made by reference to the Building Permit(s) issued for such Assessor's Parcel and/or by reference to appropriate records kept by the City.

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

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

“CFD No. 2022-4” means the Community Facilities District No. 2022-4 (Park West) Improvement Area No. 2 of the City of Perris.

“City” means the City of Perris, California.

“Council” means the City Council of the City acting as the legislative body of CFD No. 2022-4 under the Act.

“County” means the County of Riverside, California.

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

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

“Developed Property” means for each Fiscal Year, all Taxable Property, exclusive of Provisional Property and Provisional Welfare Property, for which a Building Permit was issued prior to May

1 of the previous Fiscal Year. An Assessor's Parcel classified as Developed Property but for which the Building Permit that caused such Assessor's Parcel to be classified as Developed Property has been cancelled and/or voided prior to the Fiscal Year for which Special Taxes are being levied shall be reclassified as Undeveloped Property, provided that the levy of the Annual Special Tax after such reclassification shall not be less than 1.1 times the annual Debt Service less Administrative Expenses on all Outstanding Bonds. If Bonds have not been issued, an Assessor's Parcel classified as Developed Property for which such a Building Permit has been cancelled and/or voided shall be reclassified as Undeveloped Property.

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

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

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

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

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

"Lot" means a parcel created by a Final Map on which a Residential Unit can be constructed.

"Lower Income Households Welfare Exemption Property" means, for each Fiscal Year, an Assessor's Parcel that is entitled to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code (or any successor statute), as indicated in the County Assessor's roll finalized as of January 1 of the previous Fiscal Year; provided that such Assessor's Parcel shall not be classified as Lower Income Households Welfare Exemption Property if Debt is outstanding for CFD No. 2022-4 IA2 and the Assessor's Parcel was assumed to be subject to the Special Tax prior to receiving the exemption, in which case the Assessor's Parcel shall remain subject to the Special Tax and the Special Tax shall be enforceable against the Assessor's Parcel.

"Maximum Special Tax" means for each Assessor's Parcel, the maximum Special Tax, determined in accordance with Sections 3.C and 3.D below, which may be levied in a given Fiscal Year on such Assessor's Parcel of Taxable Property.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit has been issued for the purpose of constructing one or more non-residential units or facilities.

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

"Prepayment Amount" means the amount required to prepay the Annual Special Tax obligation in full in or in part for an Assessor's Parcel as described in Section 6 below.

"Property Owner Association Property" means any Assessor's Parcel within the boundaries of CFD No. 2022-4 IA2 owned in fee by a property owner association, including any master or sub-association.

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

“Provisional Property” means all Assessor’s Parcels of Public Property, Property Owner Association Property or property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage as set forth in Section 8.

“Provisional Welfare Property” means all Assessor’s Parcels of Lower Income Households Welfare Exemption Property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage as set forth in Section 8.

“Public Property” means any property within the boundaries of CFD No. 2022-4 IA2, which is owned by, or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency; provided however that any property owned by a public agency and leased to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

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

“Residential Unit” means each separate residential dwelling unit that comprises an independent facility capable of conveyance or rental, separate from adjacent residential dwelling units. This definition does not include Accessory Dwelling Units as defined in the State of California Government Code section 65852.2.

“Special Tax” means any special tax levied within CFD No. 2022-4 IA2 pursuant to the Act and this Rate and Method of Apportionment of Special Tax.

“Special Tax Obligation” means the total obligation of an Assessor’s Parcel of Taxable Property to pay the Special Tax for the remaining life of CFD No. 2022-4 IA2.

“Special Tax Requirement” means that amount required in any Fiscal Year to: (i) pay regularly scheduled Debt Service on all Outstanding Bonds; (ii) pay periodic costs on the Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on the Outstanding Bonds; (iii) pay Administrative Fees and Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) accumulate funds to pay directly for acquisition or construction of facilities provided that the inclusion of such amount does not result in a levy beyond Step 1 of Section 4; and (vi) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less (vii) a credit for funds available to reduce the Annual Special Tax levy, as determined by the CFD Administrator pursuant to the Indenture.

“State” means the State of California.

“Taxable Property” means all of the Assessor's Parcels within the boundaries of CFD No. 2022-4 IA2, which are not exempt from the levy of the Special Tax pursuant to law or Section 8 below.

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

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

2. LAND USE CLASSIFICATION

Each Fiscal Year, beginning with Fiscal Year 2024-25, each Assessor’s Parcel within CFD No. 2022-4 IA2 shall be classified as Taxable Property or Exempt Property. In addition, all Taxable Property shall further be classified as Developed Property, Undeveloped Property, Provisional Welfare Property, or Provisional Property, and all such Taxable Property shall be subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment of Special Tax determined pursuant to Sections 3 and 4 below. Furthermore, each Assessor’s Parcel of Developed Property and Provisional Welfare Property shall be classified according to its applicable Land Use Class based on its Building Square Footage.

3. SPECIAL TAX RATES

A. Assigned Special Tax for Developed Property and Provisional Welfare Property

The Assigned Special Tax applicable to an Assessor's Parcel classified as Developed Property or Provisional Welfare Property commencing in Fiscal Year 2024-25 shall be determined pursuant to Table 1 below.

**Table 1
Assigned Special Tax
Fiscal Year 2024-25**

Land Use Class	Land Use Type	Building Square Footage	Assigned Special Tax
1	Residential Property	> 3,300	\$3,146 per Residential Unit
2	Residential Property	3,101 – 3,300	\$3,032 per Residential Unit
3	Residential Property	2,901 – 3,100	\$2,917 per Residential Unit
4	Residential Property	2,701 – 2,900	\$2,802 per Residential Unit
5	Residential Property	2,501 – 2,700	\$2,687 per Residential Unit
6	Residential Property	2,301 – 2,500	\$2,572 per Residential Unit
7	Residential Property	2,101 – 2,300	\$2,457 per Residential Unit
8	Residential Property	≤ 2,100	\$2,342 per Residential Unit
9	Non-Residential Property	N/A	\$23,071 per Acre

Each July 1, commencing July 1, 2025, the Assigned Special Tax for Developed Property and Provisional Welfare Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

B. Backup Special Tax for Developed Property and Provisional Welfare Property

The Backup Special Tax for Developed Property and Provisional Welfare Property commencing in Fiscal Year 2024-25 shall be \$23,071 per Acre. Each July 1, commencing July 1, 2025, the Backup Special Tax for Developed Property and Provisional Welfare Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

For the purpose of calculating the Backup Special Tax, the land area applicable to a Condominium shall be computed from the Acreage of the Lot on which the Condominium is located, with the Acreage for such Lot allocated equally among all of the Condominiums located or to be located on such Lot.

C. Maximum Special Tax for Developed Property and Provisional Welfare Property

The Maximum Special Tax for Developed Property and Provisional Welfare Property shall be the greater of the Assigned Special Tax for Developed Property and Provisional Welfare Property or the Backup Special Tax for Developed Property and Provisional Welfare Property.

D. Maximum Special Tax for Provisional Property and Undeveloped Property

The Maximum Special Tax for Provisional Property and Undeveloped Property commencing in Fiscal Year 2024-25 shall be \$23,071 per Acre. Each July 1, commencing July 1, 2025, the Maximum Special Tax for Provisional Property and Undeveloped Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

4. METHOD OF APPORTIONMENT

For each Fiscal Year, commencing Fiscal Year 2024-25, the CFD Administrator shall levy the Special Tax on all Taxable Property in accordance with the following steps:

Step 1: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property in an amount up to 100% of the applicable Assigned Special Tax as necessary to satisfy the Special Tax Requirement;

Step 2: If additional monies are needed to satisfy the Special Tax Requirement after Step 1 has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property;

Step 3: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax amount determined in Step 1 shall be increased Proportionately on each Assessor's Parcel of Developed Property up to 100% of the Maximum Special Tax for Developed Property;

Step 4: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Welfare Property up to 100% of the Maximum Special Tax for Provisional Welfare Property;

Step 5: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Property up to 100% of the Maximum Special Tax for Provisional Property;

Notwithstanding the above, under no circumstances will the Special Tax levied in any Fiscal Year against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of a delinquency or default in the payment of the Special Tax applicable to any other Assessor's Parcel within CFD No. 2022-4 IA2 by more than ten percent (10%) above what would have been levied in the absence of such delinquencies or defaults.

5. COLLECTION OF SPECIAL TAXES

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

6. PREPAYMENT OF SPECIAL TAX OBLIGATION

A. Prepayment in Full

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

"CFD Public Facilities Costs" means \$8,500,000 or such lower number as (i) shall be determined by the CFD Administrator as sufficient to acquire or construct the facilities to be financed under the Act and financing program for CFD No. 2022-4 IA2, or (ii) shall be determined by the Council concurrently with a covenant that it will not issue any more Bonds (except refunding bonds).

"Construction Fund" means the fund (regardless of its name) established pursuant to the Indenture to hold funds, which are currently available for expenditure to acquire or construct the facilities or pay fees authorized to be funded by CFD No. 2022-4.

"Future Facilities Costs" means the CFD Public Facilities Costs minus (i) costs previously paid from the Construction Fund to acquire or construct the facilities, (ii) monies currently on deposit in the Construction Fund, and (iii) monies currently on deposit in an escrow or other designated fund that are expected to be available to finance CFD Public Facilities Costs.

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

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

The Special Tax Obligation applicable to an Assessor’s Parcel of Taxable Property for which a Building Permit has been issued or is anticipated to be issued may be prepaid and the obligation to pay the Special Tax for such Assessor’s Parcel permanently satisfied as described herein, provided that a prepayment may be made with respect to a particular Assessor’s Parcel only if there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment or the delinquent special taxes are paid off concurrently with the prepayment to the satisfaction of the CFD Administrator. An owner of an Assessor’s Parcel eligible to prepay the Special Tax Obligation shall provide the CFD Administrator with written notice of intent to prepay, and designate or identify the company or agency that will be acting as the escrow agent, if any. The CFD Administrator shall provide the owner with a statement of the Prepayment Amount for such Assessor’s Parcel within thirty (30) days of the request, and may charge a reasonable fee for providing this service. Prepayment must be made at least 60 days prior to any redemption date for the CFD No. 2022-4 IA2 Bonds to be redeemed with the proceeds of such prepaid Special Taxes, unless a shorter period is acceptable to the Trustee and the City.

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

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

As of the proposed date of prepayment, the Prepayment Amount (defined in Step 14 below) shall be calculated as follows:

Step No.:

1. Confirm that no Special Tax delinquencies apply to such Assessor’s Parcel.
2. For Assessor’s Parcels of Developed Property, determine the Maximum Special Tax. For Assessor’s Parcels of Undeveloped Property for which a Building Permit has been issued, compute the Maximum Special Tax for that Assessor’s Parcel as though it was already designated as Developed Property, based upon the Building Permit which has already been issued for that Assessor’s Parcel.
3. Divide the Maximum Special Tax computed pursuant to paragraph 2 by the total expected Maximum Special Tax revenue for CFD No. 2022-4 IA2 assuming all

Building Permits have been issued (build-out) within CFD No. 2022-4 IA2, excluding any Assessor's Parcels for which the Special Tax Obligation has been previously prepaid.

4. Multiply the quotient computed pursuant to paragraph 3 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid for all applicable parcels and round that amount up to the nearest \$5,000 increment (the "Bond Redemption Amount").

5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (expressed as a percentage), if any, on the Outstanding Bonds to be redeemed at the first available call date (the "Redemption Premium").

6. Compute the Future Facilities Costs.

7. Multiply the quotient computed pursuant to paragraph 3 by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Prepayment Amount").

8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the expected redemption date for the Outstanding Bonds which, depending on the Indenture, may be as early as the next interest payment date, but the redemption date may be any date determined by the CFD Administrator as convenient and appropriate and permitted by the Indenture and does not have to be the next interest payment date.

9. Compute the amount the CFD Administrator reasonably expects to derive from the reinvestment of the Prepayment Amount less the Future Facilities Prepayment Amount and the Prepayment Administrative Fees from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.

10. Subtract the amount computed in paragraph 9 from the amount computed in paragraph 8 (the "Defeasance Amount").

11. Calculate the administrative fees and expenses of CFD No. 2022-4 IA2, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming CFD No. 2022-4 IA2, and the costs of recording any notices to evidence the prepayment and the redemption (the "Prepayment Administrative Fees").

12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment calculation date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "Reserve Fund Credit"). No Reserve Fund Credit shall be granted if, after the Prepayment Amount is calculated, reserve funds are below 100% of the reserve requirement.

13. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to paragraph 3 by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the “Capitalized Interest Credit”).

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

15. From the Prepayment Amount, the sum of the amounts computed pursuant to paragraphs 4, 5, and 10, less the amounts computed pursuant to paragraphs 12 and 13 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make Debt Service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Construction Fund. The amount computed pursuant to paragraph 11 shall be retained by CFD No. 2022-4.

The Prepayment Amount may be sufficient to redeem an amount other than a \$5,000 increment of CFD No. 2022-4 IA2 Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to redeem CFD No. 2022-4 IA2 Bonds to be used with the next prepayment of CFD No. 2022-4 IA2 Bonds.

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

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

B. Partial Prepayment

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

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

These terms have the following meaning:

PP = the partial prepayment
PE = the Prepayment Amount calculated according to Section 6.A
F = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax Obligation
A = the Prepayment Administrative Fees and Expenses from Section 6.A

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

With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section 6.A., and (ii) indicate in the records of CFD No. 2022-4 IA2 that there has been a partial prepayment of the Special Tax Obligation and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage $(1.00 - F)$ of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel.

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

7. TERM OF SPECIAL TAX

The Special Tax shall be levied as long as necessary to meet the Special Tax Requirement for a period not to exceed fifty (50) Fiscal Years commencing with Fiscal Year 2024-25, provided however that the Special Tax will cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined that all required interest and principal payments on CFD No. 2022-4 IA2 bonds have been paid.

8. EXEMPTIONS

The CFD Administrator shall classify as Exempt Property (i) Assessor's Parcels of Public Property, (ii) Assessor's Parcels of Property Owner Association Property, or (iii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Lower Income Households Welfare Exemption Property, and (vi) Assessor's Parcels of Developed Property classified as Non-Residential Property as determined reasonably by the CFD Administrator, provided that no such classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA2 to less than 21.89 Acres. Assessor's Parcels of Lower Income Households Welfare Exemption Property which cannot be classified as Exempt Property because such

classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA2 to less than 21.89 Acres shall be classified as Provisional Welfare Property and will continue to be subject to the CFD No. 2022-4 IA2 Special Taxes accordingly. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA2 to less than 21.89 Acres shall be classified as Provisional Property and will continue to be subject to the CFD No. 2022-4 IA2 Special Taxes accordingly. Tax exempt status for the purpose of this paragraph will be assigned by the CFD Administrator in the chronological order in which property becomes eligible for classification as Exempt Property.

If the use of an Assessor's Parcel of Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in the first paragraph of Section 8 above that would make such Assessor's Parcel eligible to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property.

9. APPEALS

Any landowner who pays the Special Tax and claims the amount of the Special Tax levied on his or her Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error not later than thirty-six (36) months after first having paid the first installment of the Special Tax that is disputed. If following such consultation the CFD Administrator determines that an error has occurred, then the CFD Administrator shall take any of the following actions, in order of priority, in order to correct the error:

- (i) Amend the Special Tax levy on the landowner's Assessor's Parcel(s) for the current Fiscal Year prior to the payment date,
- (ii) Require the CFD to reimburse the landowner for the amount of the overpayment to the extent of available CFD funds, or
- (iii) Grant a credit against, eliminate or reduce the future Special Taxes on the landowner's Assessor's Parcel(s) in the amount of the overpayment.

If following such consultation and action by the CFD Administrator the landowner believes such error still exists, such person may file a written notice of appeal with the City Council. Upon the receipt of such notice, the City Council or designee may establish such procedures as deemed necessary to undertake the review of any such appeal. If the City Council or designee determines an error still exists, the CFD Administrator shall take any of the actions described as (i), (ii) and (iii) above, in order of priority, in order to correct the error.

10. INTERPRETATIONS

The City Council or designee thereof shall interpret this Rate and Method of Apportionment of Special Tax for purposes of clarifying any ambiguities and make determinations relative to the administration of the Special Tax and any landowner appeals. The decision of the City Council or designee shall be final.

EXHIBIT E

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
OF IMPROVEMENT AREA NO. 3 OF
COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST)**

[SEE ATTACHED]

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST) IMPROVEMENT AREA NO. 3

A Special Tax shall be levied on all Taxable Property within the boundaries of Improvement Area No. 3 of Community Facilities District No. 2022-4 (Park West) of the City of Perris (“CFD No. 2022-4 IA3”) and collected each Fiscal Year commencing in Fiscal Year 2024-25, in an amount determined by the CFD Administrator through the application of the procedures described below. All of the real property within CFD No. 2022-4 IA3, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

1. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Acre**” or “**Acreage**” means the land area of an Assessor’s Parcel as shown on an Assessor’s Parcel Map, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Final Map. An Acre means 43,560 square feet of land.

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

“**Administrative Expenses**” means the following actual or reasonably estimated costs related to the administration of CFD No. 2022-4 IA3 including, but not limited to: the costs of preparing and computing the Annual Special Tax (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City, the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2022-4 IA3, or any designee thereof complying with arbitrage rebate requirements, including without limitation rebate liability costs and periodic rebate calculations; the costs to the City, CFD No. 2022-4 IA3, or any designee thereof complying with disclosure or reporting requirements of the City or CFD No. 2022-4 IA3, associated with applicable federal and State laws; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs to the City, CFD No. 2022-4 IA3, or any designee thereof related to an appeal of the Special Tax; and the City’s annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2022-4 IA3 for any other administrative purposes of CFD No. 2022-4 IA3, including attorney’s fees and other costs related to commencing and pursuing any foreclosure of delinquent Special Taxes.

“**Annual Special Tax**” means the Special Tax actually levied in any Fiscal Year on any Assessor’s Parcel.

“**Assessor**” means the Assessor of the County of Riverside.

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

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

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

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

“Backup Special Tax” means the Special Tax of that name described in Section 3.B below.

“Bonds” means any bonds or other Debt of CFD No. 2022-4 IA3, whether in one or more series, secured by the levy of Special Taxes.

“Boundary Map” means the map of the boundaries of CFD No. 2022-4 recorded on _____ in the Riverside County Recorder's Office in Book __, Page __, of Maps of Assessments and Community Facilities Districts (instrument number __-__).

“Building Permit” means a building permit for construction of a Residential Unit within CFD No. 2022-4 IA3 issued by the City.

“Building Square Footage” means all of the square footage of usable area within the perimeter of a primary residential structure, not including any carport, walkway, garage, overhang, or similar area. The determination of Building Square Footage shall be made by reference to the Building Permit(s) issued for such Assessor's Parcel and/or by reference to appropriate records kept by the City.

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

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

“CFD No. 2022-4” means the Community Facilities District No. 2022-4 (Park West) Improvement Area No. 3 of the City of Perris.

“City” means the City of Perris, California.

“Council” means the City Council of the City acting as the legislative body of CFD No. 2022-4 under the Act.

“County” means the County of Riverside, California.

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

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

“Developed Property” means for each Fiscal Year, all Taxable Property, exclusive of Provisional Property and Provisional Welfare Property, for which a Building Permit was issued prior to May

1 of the previous Fiscal Year. An Assessor's Parcel classified as Developed Property but for which the Building Permit that caused such Assessor's Parcel to be classified as Developed Property has been cancelled and/or voided prior to the Fiscal Year for which Special Taxes are being levied shall be reclassified as Undeveloped Property, provided that the levy of the Annual Special Tax after such reclassification shall not be less than 1.1 times the annual Debt Service less Administrative Expenses on all Outstanding Bonds. If Bonds have not been issued, an Assessor's Parcel classified as Developed Property for which such a Building Permit has been cancelled and/or voided shall be reclassified as Undeveloped Property.

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

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

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

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

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

"Lot" means a parcel created by a Final Map on which a Residential Unit can be constructed.

"Lower Income Households Welfare Exemption Property" means, for each Fiscal Year, an Assessor's Parcel that is entitled to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code (or any successor statute), as indicated in the County Assessor's roll finalized as of January 1 of the previous Fiscal Year; provided that such Assessor's Parcel shall not be classified as Lower Income Households Welfare Exemption Property if Debt is outstanding for CFD No. 2022-4 IA3 and the Assessor's Parcel was assumed to be subject to the Special Tax prior to receiving the exemption, in which case the Assessor's Parcel shall remain subject to the Special Tax and the Special Tax shall be enforceable against the Assessor's Parcel.

"Maximum Special Tax" means for each Assessor's Parcel, the maximum Special Tax, determined in accordance with Sections 3.C and 3.D below, which may be levied in a given Fiscal Year on such Assessor's Parcel of Taxable Property.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit has been issued for the purpose of constructing one or more non-residential units or facilities.

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

"Prepayment Amount" means the amount required to prepay the Annual Special Tax obligation in full in or in part for an Assessor's Parcel as described in Section 6 below.

"Property Owner Association Property" means any Assessor's Parcel within the boundaries of CFD No. 2022-4 IA3 owned in fee by a property owner association, including any master or sub-association.

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

“Provisional Property” means all Assessor’s Parcels of Public Property, Property Owner Association Property or property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage as set forth in Section 8.

“Provisional Welfare Property” means all Assessor’s Parcels of Lower Income Households Welfare Exemption Property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage as set forth in Section 8.

“Public Property” means any property within the boundaries of CFD No. 2022-4 IA3, which is owned by, or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency; provided however that any property owned by a public agency and leased to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

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

“Residential Unit” means each separate residential dwelling unit that comprises an independent facility capable of conveyance or rental, separate from adjacent residential dwelling units. This definition does not include Accessory Dwelling Units as defined in the State of California Government Code section 65852.2.

“Special Tax” means any special tax levied within CFD No. 2022-4 IA3 pursuant to the Act and this Rate and Method of Apportionment of Special Tax.

“Special Tax Obligation” means the total obligation of an Assessor’s Parcel of Taxable Property to pay the Special Tax for the remaining life of CFD No. 2022-4 IA3.

“Special Tax Requirement” means that amount required in any Fiscal Year to: (i) pay regularly scheduled Debt Service on all Outstanding Bonds; (ii) pay periodic costs on the Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on the Outstanding Bonds; (iii) pay Administrative Fees and Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) accumulate funds to pay directly for acquisition or construction of facilities provided that the inclusion of such amount does not result in a levy beyond Step 1 of Section 4; and (vi) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less (vii) a credit for funds available to reduce the Annual Special Tax levy, as determined by the CFD Administrator pursuant to the Indenture.

“State” means the State of California.

“Taxable Property” means all of the Assessor's Parcels within the boundaries of CFD No. 2022-4 IA3, which are not exempt from the levy of the Special Tax pursuant to law or Section 8 below.

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

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

2. LAND USE CLASSIFICATION

Each Fiscal Year, beginning with Fiscal Year 2024-25, each Assessor’s Parcel within CFD No. 2022-4 IA3 shall be classified as Taxable Property or Exempt Property. In addition, all Taxable Property shall further be classified as Developed Property, Undeveloped Property, Provisional Welfare Property, or Provisional Property, and all such Taxable Property shall be subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment of Special Tax determined pursuant to Sections 3 and 4 below. Furthermore, each Assessor’s Parcel of Developed Property and Provisional Welfare Property shall be classified according to its applicable Land Use Class based on its Building Square Footage.

3. SPECIAL TAX RATES

A. Assigned Special Tax for Developed Property and Provisional Welfare Property

The Assigned Special Tax applicable to an Assessor's Parcel classified as Developed Property or Provisional Welfare Property commencing in Fiscal Year 2024-25 shall be determined pursuant to Table 1 below.

**Table 1
Assigned Special Tax
Fiscal Year 2024-25**

Land Use Class	Land Use Type	Building Square Footage	Assigned Special Tax
1	Residential Property	> 3,300	\$3,253 per Residential Unit
2	Residential Property	3,101 – 3,300	\$3,136 per Residential Unit
3	Residential Property	2,901 – 3,100	\$3,019 per Residential Unit
4	Residential Property	2,701 – 2,900	\$2,902 per Residential Unit
5	Residential Property	2,501 – 2,700	\$2,785 per Residential Unit
6	Residential Property	2,301 – 2,500	\$2,667 per Residential Unit
7	Residential Property	2,101 – 2,300	\$2,550 per Residential Unit
8	Residential Property	≤ 2,100	\$2,432 per Residential Unit
9	Non-Residential Property	N/A	\$20,349 per Acre

Each July 1, commencing July 1, 2025, the Assigned Special Tax for Developed Property and Provisional Welfare Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

B. Backup Special Tax for Developed Property and Provisional Welfare Property

The Backup Special Tax for Developed Property and Provisional Welfare Property commencing in Fiscal Year 2024-25 shall be \$20,349 per Acre. Each July 1, commencing July 1, 2025, the Backup Special Tax for Developed Property and Provisional Welfare Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

For the purpose of calculating the Backup Special Tax, the land area applicable to a Condominium shall be computed from the Acreage of the Lot on which the Condominium is located, with the Acreage for such Lot allocated equally among all of the Condominiums located or to be located on such Lot.

C. Maximum Special Tax for Developed Property and Provisional Welfare Property

The Maximum Special Tax for Developed Property and Provisional Welfare Property shall be the greater of the Assigned Special Tax for Developed Property and Provisional Welfare Property or the Backup Special Tax for Developed Property and Provisional Welfare Property.

D. Maximum Special Tax for Provisional Property and Undeveloped Property

The Maximum Special Tax for Provisional Property and Undeveloped Property commencing in Fiscal Year 2024-25 shall be \$20,349 per Acre. Each July 1, commencing July 1, 2025, the Maximum Special Tax for Provisional Property and Undeveloped Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

4. METHOD OF APPORTIONMENT

For each Fiscal Year, commencing Fiscal Year 2024-25, the CFD Administrator shall levy the Special Tax on all Taxable Property in accordance with the following steps:

Step 1: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property in an amount up to 100% of the applicable Assigned Special Tax as necessary to satisfy the Special Tax Requirement;

Step 2: If additional monies are needed to satisfy the Special Tax Requirement after Step 1 has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property;

Step 3: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax amount determined in Step 1 shall be increased Proportionately on each Assessor's Parcel of Developed Property up to 100% of the Maximum Special Tax for Developed Property;

Step 4: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Welfare Property up to 100% of the Maximum Special Tax for Provisional Welfare Property;

Step 5: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Property up to 100% of the Maximum Special Tax for Provisional Property;

Notwithstanding the above, under no circumstances will the Special Tax levied in any Fiscal Year against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of a delinquency or default in the payment of the Special Tax applicable to any other Assessor's Parcel within CFD No. 2022-4 IA3 by more than ten percent (10%) above what would have been levied in the absence of such delinquencies or defaults.

5. COLLECTION OF SPECIAL TAXES

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

6. PREPAYMENT OF SPECIAL TAX OBLIGATION

A. Prepayment in Full

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

"CFD Public Facilities Costs" means \$6,000,000 or such lower number as (i) shall be determined by the CFD Administrator as sufficient to acquire or construct the facilities to be financed under the Act and financing program for CFD No. 2022-4 IA3, or (ii) shall be determined by the Council concurrently with a covenant that it will not issue any more Bonds (except refunding bonds).

"Construction Fund" means the fund (regardless of its name) established pursuant to the Indenture to hold funds, which are currently available for expenditure to acquire or construct the facilities or pay fees authorized to be funded by CFD No. 2022-4.

"Future Facilities Costs" means the CFD Public Facilities Costs minus (i) costs previously paid from the Construction Fund to acquire or construct the facilities, (ii) monies currently on deposit in the Construction Fund, and (iii) monies currently on deposit in an escrow or other designated fund that are expected to be available to finance CFD Public Facilities Costs.

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

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

The Special Tax Obligation applicable to an Assessor’s Parcel of Taxable Property for which a Building Permit has been issued or is anticipated to be issued may be prepaid and the obligation to pay the Special Tax for such Assessor’s Parcel permanently satisfied as described herein, provided that a prepayment may be made with respect to a particular Assessor’s Parcel only if there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment or the delinquent special taxes are paid off concurrently with the prepayment to the satisfaction of the CFD Administrator. An owner of an Assessor’s Parcel eligible to prepay the Special Tax Obligation shall provide the CFD Administrator with written notice of intent to prepay, and designate or identify the company or agency that will be acting as the escrow agent, if any. The CFD Administrator shall provide the owner with a statement of the Prepayment Amount for such Assessor’s Parcel within thirty (30) days of the request, and may charge a reasonable fee for providing this service. Prepayment must be made at least 60 days prior to any redemption date for the CFD No. 2022-4 IA3 Bonds to be redeemed with the proceeds of such prepaid Special Taxes, unless a shorter period is acceptable to the Trustee and the City.

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

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

As of the proposed date of prepayment, the Prepayment Amount (defined in Step 14 below) shall be calculated as follows:

Step No.:

1. Confirm that no Special Tax delinquencies apply to such Assessor’s Parcel.
2. For Assessor’s Parcels of Developed Property, determine the Maximum Special Tax. For Assessor’s Parcels of Undeveloped Property for which a Building Permit has been issued, compute the Maximum Special Tax for that Assessor’s Parcel as though it was already designated as Developed Property, based upon the Building Permit which has already been issued for that Assessor’s Parcel.
3. Divide the Maximum Special Tax computed pursuant to paragraph 2 by the total expected Maximum Special Tax revenue for CFD No. 2022-4 IA3 assuming all

Building Permits have been issued (build-out) within CFD No. 2022-4 IA3, excluding any Assessor's Parcels for which the Special Tax Obligation has been previously prepaid.

4. Multiply the quotient computed pursuant to paragraph 3 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid for all applicable parcels and round that amount up to the nearest \$5,000 increment (the "Bond Redemption Amount").

5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (expressed as a percentage), if any, on the Outstanding Bonds to be redeemed at the first available call date (the "Redemption Premium").

6. Compute the Future Facilities Costs.

7. Multiply the quotient computed pursuant to paragraph 3 by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Prepayment Amount").

8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the expected redemption date for the Outstanding Bonds which, depending on the Indenture, may be as early as the next interest payment date, but the redemption date may be any date determined by the CFD Administrator as convenient and appropriate and permitted by the Indenture and does not have to be the next interest payment date.

9. Compute the amount the CFD Administrator reasonably expects to derive from the reinvestment of the Prepayment Amount less the Future Facilities Prepayment Amount and the Prepayment Administrative Fees from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.

10. Subtract the amount computed in paragraph 9 from the amount computed in paragraph 8 (the "Defeasance Amount").

11. Calculate the administrative fees and expenses of CFD No. 2022-4 IA3, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming CFD No. 2022-4 IA3, and the costs of recording any notices to evidence the prepayment and the redemption (the "Prepayment Administrative Fees").

12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment calculation date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "Reserve Fund Credit"). No Reserve Fund Credit shall be granted if, after the Prepayment Amount is calculated, reserve funds are below 100% of the reserve requirement.

13. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to paragraph 3 by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the “Capitalized Interest Credit”).

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

15. From the Prepayment Amount, the sum of the amounts computed pursuant to paragraphs 4, 5, and 10, less the amounts computed pursuant to paragraphs 12 and 13 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make Debt Service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Construction Fund. The amount computed pursuant to paragraph 11 shall be retained by CFD No. 2022-4.

The Prepayment Amount may be sufficient to redeem an amount other than a \$5,000 increment of CFD No. 2022-4 IA3 Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to redeem CFD No. 2022-4 IA3 Bonds to be used with the next prepayment of CFD No. 2022-4 IA3 Bonds.

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

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

B. Partial Prepayment

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

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

These terms have the following meaning:

PP = the partial prepayment
PE = the Prepayment Amount calculated according to Section 6.A
F = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax Obligation
A = the Prepayment Administrative Fees and Expenses from Section 6.A

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

With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section 6.A., and (ii) indicate in the records of CFD No. 2022-4 IA3 that there has been a partial prepayment of the Special Tax Obligation and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage $(1.00 - F)$ of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel.

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

7. TERM OF SPECIAL TAX

The Special Tax shall be levied as long as necessary to meet the Special Tax Requirement for a period not to exceed fifty (50) Fiscal Years commencing with Fiscal Year 2024-25, provided however that the Special Tax will cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined that all required interest and principal payments on CFD No. 2022-4 IA3 bonds have been paid.

8. EXEMPTIONS

The CFD Administrator shall classify as Exempt Property (i) Assessor's Parcels of Public Property, (ii) Assessor's Parcels of Property Owner Association Property, or (iii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Lower Income Households Welfare Exemption Property, and (vi) Assessor's Parcels of Developed Property classified as Non-Residential Property as determined reasonably by the CFD Administrator, provided that no such classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA3 to less than 18.40 Acres. Assessor's Parcels of Lower Income Households Welfare Exemption Property which cannot be classified as Exempt Property because such

classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA3 to less than 18.40 Acres shall be classified as Provisional Welfare Property and will continue to be subject to the CFD No. 2022-4 IA3 Special Taxes accordingly. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA3 to less than 18.40 Acres shall be classified as Provisional Property and will continue to be subject to the CFD No. 2022-4 IA3 Special Taxes accordingly. Tax exempt status for the purpose of this paragraph will be assigned by the CFD Administrator in the chronological order in which property becomes eligible for classification as Exempt Property.

If the use of an Assessor's Parcel of Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in the first paragraph of Section 8 above that would make such Assessor's Parcel eligible to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property.

9. APPEALS

Any landowner who pays the Special Tax and claims the amount of the Special Tax levied on his or her Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error not later than thirty-six (36) months after first having paid the first installment of the Special Tax that is disputed. If following such consultation the CFD Administrator determines that an error has occurred, then the CFD Administrator shall take any of the following actions, in order of priority, in order to correct the error:

- (i) Amend the Special Tax levy on the landowner's Assessor's Parcel(s) for the current Fiscal Year prior to the payment date,
- (ii) Require the CFD to reimburse the landowner for the amount of the overpayment to the extent of available CFD funds, or
- (iii) Grant a credit against, eliminate or reduce the future Special Taxes on the landowner's Assessor's Parcel(s) in the amount of the overpayment.

If following such consultation and action by the CFD Administrator the landowner believes such error still exists, such person may file a written notice of appeal with the City Council. Upon the receipt of such notice, the City Council or designee may establish such procedures as deemed necessary to undertake the review of any such appeal. If the City Council or designee determines an error still exists, the CFD Administrator shall take any of the actions described as (i), (ii) and (iii) above, in order of priority, in order to correct the error.

10. INTERPRETATIONS

The City Council or designee thereof shall interpret this Rate and Method of Apportionment of Special Tax for purposes of clarifying any ambiguities and make determinations relative to the administration of the Special Tax and any landowner appeals. The decision of the City Council or designee shall be final.

ATTACHMENT 3

Resolution of Intention to Establish CFD No. 2022-3 (Stratford Ranch)

RESOLUTION NO. _____

RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF PERRIS TO ESTABLISH COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST) OF THE CITY OF PERRIS, DESIGNATE IMPROVEMENT AREAS THEREIN AND TO AUTHORIZE THE LEVY OF A SPECIAL TAX WITHIN EACH IMPROVEMENT AREA OF COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST) OF THE CITY OF PERRIS

WHEREAS, the City Council (the “Council”) of the City of Perris (the “City”) has received a petition (including consent and waiver) from PW Land Investments L.P., a Delaware limited partnership (the “Petition”) requesting the institution of proceedings for formation of a community facilities district and designation of three improvement areas therein pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the Government Code of the State of California (the “Act”); and

WHEREAS, the Council has determined that the Petition complies with the requirements of Government Code Section 53318 and now intends to form Community Facilities District No. 2022-4 (Park West) of the City of Perris; and

WHEREAS, the Council desires to adopt this resolution of intention as provided in Section 53321 of the Act to establish a community facilities district and designate three improvement areas therein consisting of the territory described in Exhibit “A” hereto and incorporated herein by this reference, which the Council hereby determines shall be known as “Community Facilities District No. 2022-4 (Park West) of the City of Perris” (the “Community Facilities District No. 2022-4” or the “District”) pursuant to the Act to finance (1) the purchase, construction, modification, expansion, improvement or rehabilitation of certain real or other tangible property described in Exhibit “B” hereto and incorporated herein by this reference, including all furnishings, equipment and supplies related thereto; (2) the payment of development and other fees and the acquisition or construction of public facilities (collectively, the “Facilities”), which Facilities have a useful life of five years or longer; and (3) the incidental expenses to be incurred in connection with financing the Facilities and forming and administering the District (the “Incidental Expenses”); and

WHEREAS, it is the intention of the Council to consider financing the Facilities and the Incidental Expenses through the formation of the District, the designation of three improvement areas as “Improvement Area No. 1”, “Improvement Area No. 2”, and “Improvement Area No. 3” of the District (each, an “Improvement Area”), and the sale of bonded indebtedness in an amount not to exceed \$14,000,000 within the proposed Improvement Area No. 1 of the District, not to exceed \$12,000,000 within the proposed Improvement Area No. 2 of the District, and not to exceed \$8,000,000 within the proposed Improvement Area No. 3 of the District and the levy of a special tax within each Improvement Area of the District to finance the Facilities and the Incidental Expenses and to pay debt service on the bonded

indebtedness incurred by such District, provided that the bond sales and special tax levies are approved at an election to be held within each Improvement Area of the District.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris, as follows:

Section 1. Each of the above recitals is true and correct and is adopted by the Council and incorporated herein.

Section 2. The Council hereby determines to institute proceedings for the formation of a community facilities district under the terms of the Act, with three separate improvement areas designated pursuant to Section 53350 of the Act. The exterior boundaries of the District and the boundaries of the three improvement areas are hereby specified and described to be as shown on that certain map now on file in the office of the City Clerk entitled "Proposed Boundaries of Community Facilities District No. 2022-4 (Park West) of the City of Perris," which map indicates by a boundary line the extent of the territory included in the proposed District and each Improvement Area and shall govern for all details as to the extent of the District (the "Boundary Map"). On the original and one copy of the map of such District on file in the Clerk's office, the Clerk shall endorse the certificate evidencing the date and adoption of this resolution. The Clerk shall file the original of such map in her office and, within fifteen (15) days after the adoption of this Resolution, the Clerk shall file a copy of such map so endorsed in the records of the County Recorder, County of Riverside, State of California.

Section 3. The name of the proposed District shall be "Community Facilities District No. 2022-4 (Park West) of the City of Perris" and the three proposed improvement areas shall be designated as "Improvement Area No. 1", "Improvement Area No. 2", and "Improvement Area No. 3".

Section 4. The Facilities proposed to be financed by the District are public infrastructure facilities and other governmental facilities with an estimated useful life of five years or longer, which the City, Eastern Municipal Water District ("EMWD"), Perris Elementary School District ("PESD") or Riverside County Flood Control District ("Flood Control") is authorized by law to construct, acquire, own, operate or contribute revenue to. The Council hereby finds and determines that the description of the Facilities herein is sufficiently informative to allow taxpayers within the proposed District and each Improvement Area to understand what the funds of the District may be used to finance. The Incidental Expenses expected to be incurred include the cost of planning and designing the Facilities, the costs of forming the District, issuing bonds and levying and collecting a special tax within each proposed Improvement Area of the District. The Council hereby finds that the proposed Facilities are necessary to meet increased demands placed upon the City, EMWD, PESD and Flood Control as a result of development occurring within the proposed District. Such Facilities need not be physically located within the District.

Section 5. Except where funds are otherwise available, it is the intention of the Council to levy annually in accordance with procedures contained in the Act a special tax within each Improvement Area of the District (the "Special Tax") sufficient to pay for the costs of financing the acquisition and/or construction of the Facilities and Incidental Expenses,

including the principal and interest and other periodic costs on bonds or other indebtedness proposed to be issued to finance the Facilities, and Incidental Expenses, the establishment and replenishment of reserve funds, the credit enhancement fees, the costs of administering the levy and collection of the Special Tax and all other costs of the levy of the Special Tax and issuance of the bonds, including any foreclosure proceedings, architectural, engineering, inspection, legal, fiscal, and financial consultant fees, discount fees, interest on bonds due and payable prior to the expiration of one year from the date of completion of Facilities (but not to exceed two years), election costs and all costs of issuance of the bonds, including, but not limited to, fees for bond counsel, disclosure counsel, financing consultants and printing costs, and all other administrative costs of the tax levy and bond issue. The Special Tax will be secured by recordation of a continuing lien against all non-exempt real property in the applicable Improvement Area of the District. In the first year in which such a Special Tax is levied, the levy shall include a sum sufficient to repay to the City all amounts, if any, transferred to the applicable Improvement Area of the District pursuant to Section 53314 of the Act and interest thereon. The schedule of the rate and method of apportionment and manner of collection of the Special Tax within proposed Improvement Area No. 1, Improvement Area No. 2, and Improvement Area No. 3 of the District is described in detail in Exhibit "C", Exhibit "D", and Exhibit "E", respectively, attached hereto and by this reference incorporated herein (each, a "Rate and Method"). The Special Tax is based upon the cost of financing the Facilities and Incidental Expenses in the District, the demand that each parcel will place on the Facilities and the benefit (direct and/or indirect) received by each parcel from the Facilities.

The Special Tax within each proposed Improvement Area of the District is apportioned to each parcel within the proposed Improvement Area on the foregoing basis pursuant to Section 53325.3 of the Act. In the event that a portion of the property within a proposed Improvement Area of the District shall become for any reason exempt, wholly or partially, from the levy of the Special Tax, the Council shall, on behalf of the District, increase the levy to the extent necessary upon the remaining property within the Improvement Area of the District which is not delinquent or exempt in order to yield the required payments, subject to the maximum tax. If the Special Tax of an Improvement Area of the District is levied against any parcel used for private residential purposes, (i) the maximum special tax rate shall not be increased over time except to the extent permitted in the applicable Rate and Method; (ii) such special tax shall be levied for a period not to exceed fifty (50) years commencing with Fiscal Year 2024-2025, as further described in each Rate and Method; and (iii) under no circumstances will such special tax be increased as a consequence of delinquency or default by the owner of any other parcels within the District by more than ten percent (10%).

Section 6. The special tax within each proposed Improvement Area is based on the expected demand that each parcel of real property within each proposed Improvement Area will place on the Facilities and on the benefit that each parcel derives from the right to access the Facilities. The Council hereby determines that the proposed Facilities are necessary to meet the increased demand placed upon the City, EMWD, PESD and Flood Control and the existing infrastructure in the City as a result of the development of land proposed for inclusion of the District. The Council hereby determines the Rate and Method for each Improvement Area of the District to be reasonable.

Section 7. A public hearing (the “Hearing”) on the establishment of Community Facilities District No. 2022-4, each Improvement Area, the proposed Rate and Method for each Improvement Area and the proposed issuance of bonds by the District for each Improvement Area to finance the Facilities and the Incidental Expenses shall be held on January 9, 2024, at 6:30 p.m., or as soon thereafter as practicable, at the chambers of the City Council of the City of Perris, 101 North “D” Street, Perris, California 92570. Alternatively, the Hearing may be held by a remote online meeting as permitted by law. Should the Council determine to form the District and each of the Improvement Areas therein, a special election will be held within each Improvement Area of the District to authorize the issuance of bonds and the levy of the Special Tax in accordance with the procedures contained in Government Code Section 53326. If held, the proposed voting procedure at the elections will be a landowner vote (to the extent there are no registered voters in the District) with each landowner who is the owner of record of land within each Improvement Area of the District at the close of the Hearing, or the authorized representative thereof, having one vote for each acre or portion thereof owned within the Improvement Area. Ballots for the special election may be distributed by mail or by personal service.

Section 8. At the time and place set forth above for the Hearing, any interested person, including all persons owning lands or registered to vote within the proposed District, may appear and be heard.

Section 9. Each City officer who is or will be responsible for the Facilities to be financed by the District, if it is established, is hereby directed to study the proposed District and, at or before the time of the above-mentioned Hearing, file a report with the Council, and which is to be made a part of the record of the Hearing, containing a brief description of the Facilities and services by type which will in his or her opinion be required to adequately meet the needs of the District and his or her estimate of the cost of providing the Facilities and services, including an estimate of the fair and reasonable cost of all Incidental Expenses, including the cost of planning and designing the Facilities to be financed pursuant to the Act, the cost of environmental evaluations of such Facilities, all costs associated with the creation of the District, issuance of bonds, determination of the amount of any special taxes, collection of any special taxes, or costs otherwise incurred in order to carry out the authorized purposes of the City with respect to the District, and any other expenses incidental to the construction, completion and inspection of the authorized work to be paid through the proposed financing.

Section 10. The City may accept advances of funds or work-in-kind from any sources, including private persons or private entities, and is authorized and directed to use such funds for any authorized purpose, including any cost incurred in creating the District. The District may enter into an agreement to repay all of such funds as are not expended or committed for any authorized purpose at the time of the election on the levy of the Special Tax, if the proposal to levy such tax should fail, and to repay all of such funds advanced if the levy of the Special Tax shall be approved by the qualified electors of the District.

Section 11. The Clerk is hereby directed to publish a notice (“Notice”) of the Hearing pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of the proposed District. Such Notice shall contain the text or a summary of this Resolution, state the time and place of the Hearing, a statement that the testimony of all

interested persons or taxpayers will be heard, a description of the protest rights of the registered voters and landowners in the proposed District as provided in Section 53324 of the Act and a description of the proposed voting procedure for the election required by the Act. Such publication shall be completed at least seven (7) days prior to the date of the Hearing.

Section 12. The Clerk may send a copy of the Notice of the Hearing by first-class mail, postage prepaid, to each registered voter and to each landowner within the proposed District as shown on the last equalized assessment roll. Said mailing shall be completed not less than fifteen (15) days prior to the date of the Hearing.

Section 13. Pursuant to Section 53344.1 of the Act, the Council hereby reserves to itself, in its sole discretion, the right and authority by subsequent resolution to allow any owner of property within the District, subject to the provisions of Section 53344.1 of the Act and those conditions as it may impose, and any applicable prepayment penalties as prescribed in the bond indenture or comparable instrument or document, to tender to the District treasurer in full payment or part payment of any installment of the special taxes or the interest or penalties thereon which may be due or delinquent, but for which a bill has been received, any bond or other obligation secured thereby, the bond or other obligation to be taken at par and credit to be given for the accrued interest shown thereby computed to the date of tender.

Section 14. The voting procedure with respect to the establishment of the District and the imposition of the special tax shall be by hand delivered ballot election.

Section 15. This resolution of intention shall take effect upon its adoption.

ADOPTED, SIGNED and APPROVED this 14th day of November, 2023.

MAYOR OF THE CITY OF PERRIS

Attest:

CITY CLERK OF THE CITY OF PERRIS

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, DO HEREBY CERTIFY that the foregoing Resolution No. _____ was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the 14th day of November, 2023, and that it was so adopted by the following vote:

AYES:
NOES:
ABSENT:

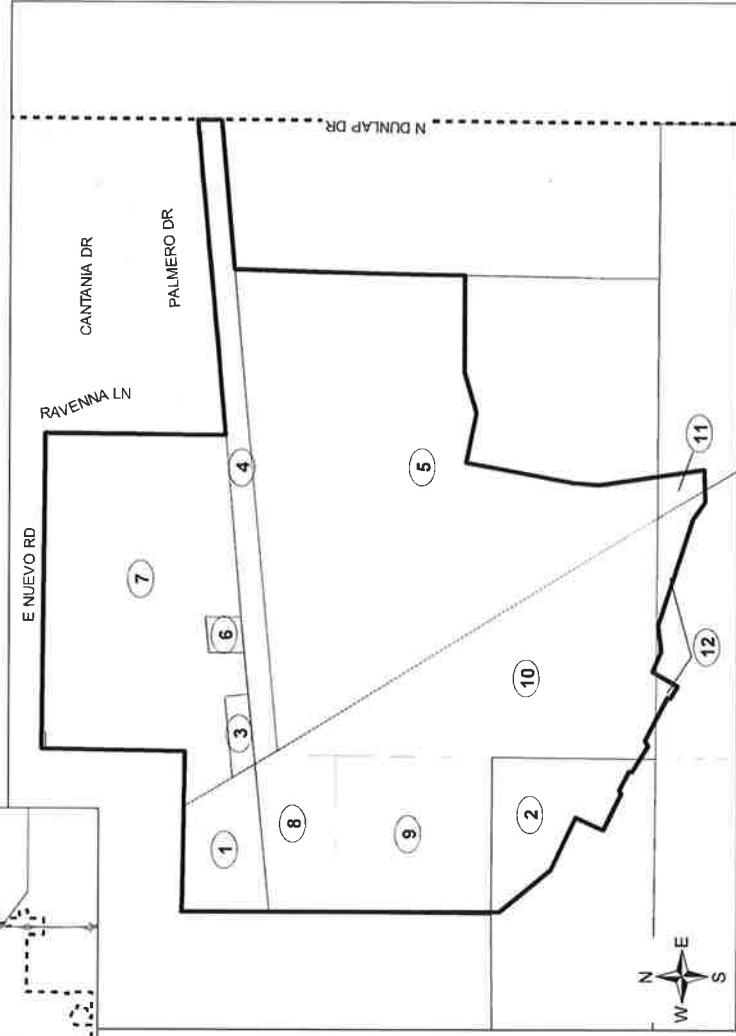
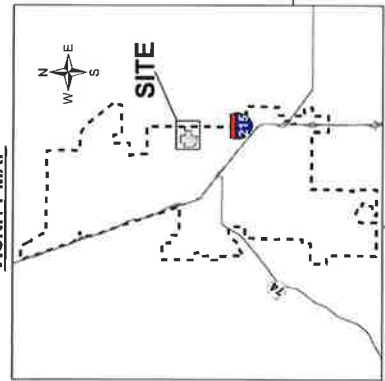
By: _____
City Clerk

EXHIBIT A
COMMUNITY FACILITIES DISTRICT NO. 2022-4
(PARK WEST) BOUNDARY MAP

[SEE ATTACHED]

MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST)

CITY OF PERRIS
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK THIS _____ DAY OF _____, 20____.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST), CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF PERRIS AT A REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF _____, 20____, BY ITS RESOLUTION NO. _____.

CITY CLERK
CITY OF PERRIS

FILED THIS _____ DAY OF _____, 20____, AT THE HOUR OF _____ O'CLOCK _____ M., IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGES _____, IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

PETER ALDANA, ASSESSOR-COUNTY CLERK-RECORDER

BY DEPUTY
COUNTY RECORDER
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS MAP SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON COUNTY OF RIVERSIDE TRACT MAP NO. 38579, RECORDED IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA ON OCTOBER _____, 2023 AS INSTRUMENT NUMBER 2023-_____.

MAP REFERENCE NUMBER	ASSESSOR'S PARCEL NUMBER
1	310-180-008
2	Portion of 310-180-011
3	310-180-016
4	310-180-020
5	Portion of 310-180-021
6	310-180-048
7	310-180-055
8	310-180-061
9	310-180-062
10	Portion of 310-180-063
11	Portion of 310-190-010
12	Portion of 310-190-025

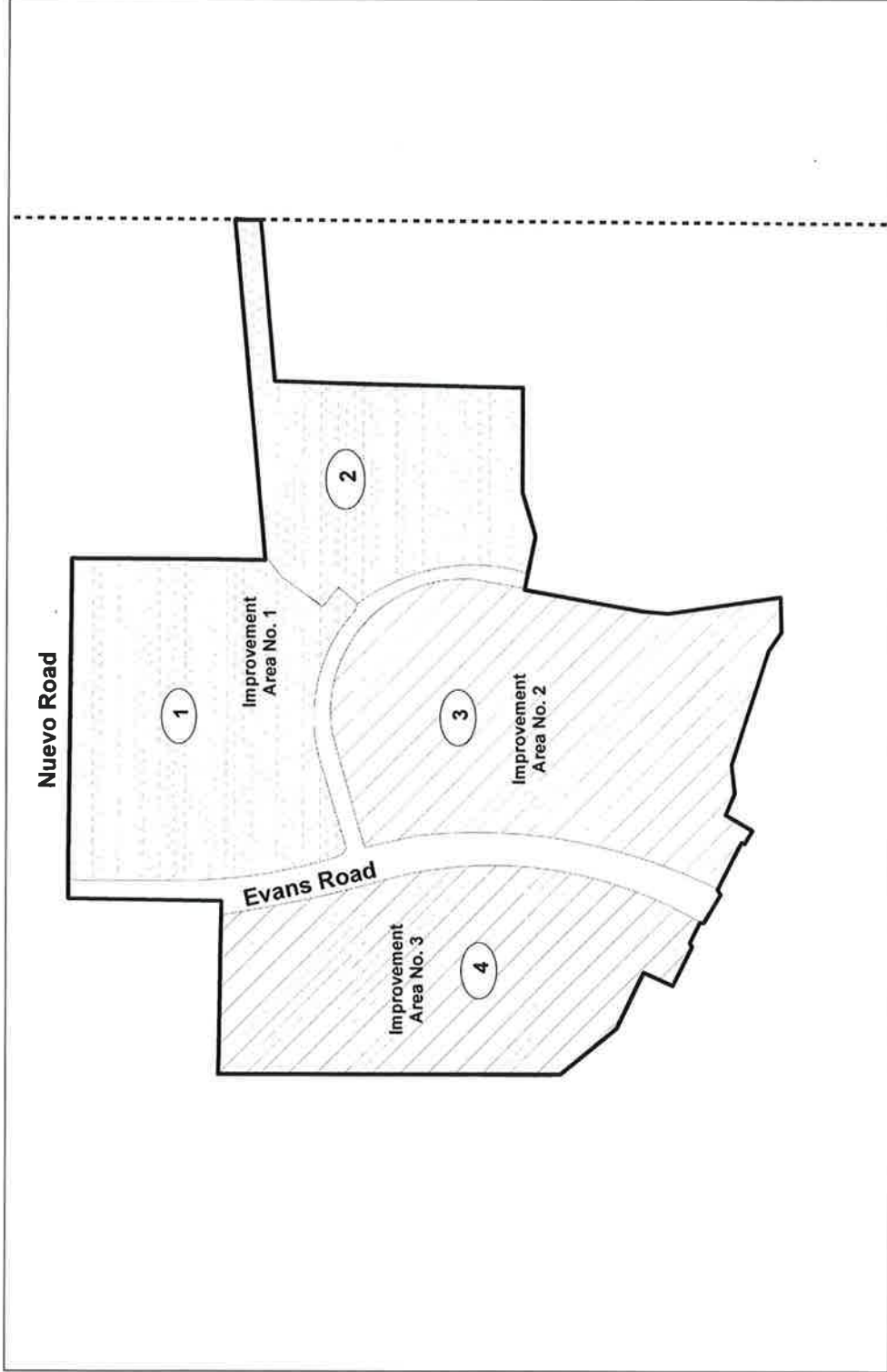
* REPRESENTS THE ASSESSOR PARCEL NUMBER FOR THOSE PARCELS OR PORTIONS THEREOF INCLUDED WITHIN THE BOUNDARY OF COUNTY OF RIVERSIDE TRACT MAP NO. 38375.

- Legend**
- Proposed CFD Boundary
 - Map Reference Number
 - City of Perris Boundary



MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST)

CITY OF PERRIS
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA



- Legend**
- Proposed CFD Boundary
 - City of Perris Boundary
 - Improvement Areas**
 - Improvement Area No. 1
 - Improvement Area No. 2
 - Improvement Area No. 3
 - # Lot Number of Tract Map No. 38375

WILLDAN
Financial Services
27368 VIA INDUSTRIA, SUITE #200
TEMECULA, CA 92590
(951) 587-3500

EXHIBIT B**TYPES OF FACILITIES TO BE FINANCED BY
COMMUNITY FACILITIES DISTRICT NO. 2022-4
(PARK WEST)**

The General Description of the Facilities that may be acquired or constructed is as follows:

- Street facilities, including, but not limited to, major arterials, highways, bridge facilities, regional transportation facilities and streets, intersections, access ramps, roadways, sidewalk, curb, gutters, striping, lighting, traffic signalization, signage, landscaping of public streets and rights-of-way and appurtenant facilities;
- Storm control facilities, including, but not limited to, storm drains, channels, detention, headwalls, riprap pads, water quality basins, retention and/or catch basins and appurtenant facilities;
- Sewer improvements, sanitary sewers, including, but not limited to, lift stations, force mains, pump stations, transmission and main lines, valves, and appurtenant facilities;
- Domestic water facilities, including, but not limited to, reservoirs, pump stations, transmission lines, distribution facilities, main lines, valves, fire hydrants and appurtenant facilities;
- Park, recreational facilities, trails, open space and appurtenant facilities;
- Impact and other City or public agency fees, including but not limited to, Transportation Uniform Mitigation Fees, Development Impact Fees, school fees, water fees, drainage fees, sewer treatment and connection fees, water supply fees, water meter fees, water connection fees, storm drain fees, capital facilities' fees and other city or public agency fees and all capital facilities which are part of these fee programs and capital improvement programs;
- Utility undergrounding and dry utilities;
- Incidental expenses;
- City facilities.

OTHER

The District may also finance any of the following:

1. Bond related expenses, including underwriters' discount, reserve fund, capitalized interest, financial advisor fees and expenses, bond and disclosure counsel, special tax consultant fees and expenses, dissemination agent fees and all other incidental expenses.

2. Administrative fees of the City and the Bond trustee or fiscal agent related to the District and the Bonds.
3. Reimbursement of costs related to the formation of the District advanced by the City or any related entity, or any landowner or developer within the District, as well as reimbursement of any costs advanced by the City or any related entity, or any landowner or developer within the District, for facilities or other purposes or costs of the District.

This description of the public capital facilities is general in nature. The final nature and location of improvements and facilities will be determined upon the preparation of final plans and specifications. The final plans and specifications may show substitutes in lieu of, or modifications to, proposed work. Any such substitution shall not be a change or modification in the proceedings as long as the facilities provide a service substantially similar to that as set forth in the city officer's report, containing a brief description of the facilities which will be required to adequately meet the needs of the District.

EXHIBIT C

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX OF
IMPROVEMENT AREA NO. 1 OF COMMUNITY FACILITIES DISTRICT NO. 2022-4
(PARK WEST)**

[SEE ATTACHED]

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST) IMPROVEMENT AREA NO. 1

A Special Tax shall be levied on all Taxable Property within the boundaries of Improvement Area No. 1 of Community Facilities District No. 2022-4 (Park West) of the City of Perris (“CFD No. 2022-4 IA1”) and collected each Fiscal Year commencing in Fiscal Year 2024-25, in an amount determined by the CFD Administrator through the application of the procedures described below. All of the real property within CFD No. 2022-4 IA1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

1. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Acre**” or “**Acreage**” means the land area of an Assessor’s Parcel as shown on an Assessor’s Parcel Map, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Final Map. An Acre means 43,560 square feet of land.

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

“**Administrative Expenses**” means the following actual or reasonably estimated costs related to the administration of CFD No. 2022-4 IA1 including, but not limited to: the costs of preparing and computing the Annual Special Tax (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City, the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2022-4 IA1, or any designee thereof complying with arbitrage rebate requirements, including without limitation rebate liability costs and periodic rebate calculations; the costs to the City, CFD No. 2022-4 IA1, or any designee thereof complying with disclosure or reporting requirements of the City or CFD No. 2022-4 IA1, associated with applicable federal and State laws; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs to the City, CFD No. 2022-4 IA1, or any designee thereof related to an appeal of the Special Tax; and the City’s annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2022-4 IA1 for any other administrative purposes of CFD No. 2022-4 IA1, including attorney’s fees and other costs related to commencing and pursuing any foreclosure of delinquent Special Taxes.

“**Annual Special Tax**” means the Special Tax actually levied in any Fiscal Year on any Assessor’s Parcel.

“**Assessor**” means the Assessor of the County of Riverside.

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

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

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

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

“Backup Special Tax” means the Special Tax of that name described in Section 3.B below.

“Bonds” means any bonds or other Debt of CFD No. 2022-4 IA1, whether in one or more series, secured by the levy of Special Taxes.

“Boundary Map” means the map of the boundaries of CFD No. 2022-4 recorded on ___ in the Riverside County Recorder's Office in Book __, Page __, of Maps of Assessments and Community Facilities Districts (instrument number ___-___).

“Building Permit” means a building permit for construction of a Residential Unit within CFD No. 2022-4 IA1 issued by the City.

“Building Square Footage” means all of the square footage of usable area within the perimeter of a primary residential structure, not including any carport, walkway, garage, overhang, or similar area. The determination of Building Square Footage shall be made by reference to the Building Permit(s) issued for such Assessor's Parcel and/or by reference to appropriate records kept by the City.

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

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

“CFD No. 2022-4” means the Community Facilities District No. 2022-4 (Park West) Improvement Area No. 1 of the City of Perris.

“City” means the City of Perris, California.

“Council” means the City Council of the City acting as the legislative body of CFD No. 2022-4 under the Act.

“County” means the County of Riverside, California.

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

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

“Developed Property” means for each Fiscal Year, all Taxable Property, exclusive of Provisional Property and Provisional Welfare Property, for which a Building Permit was issued prior to May

1 of the previous Fiscal Year. An Assessor's Parcel classified as Developed Property but for which the Building Permit that caused such Assessor's Parcel to be classified as Developed Property has been cancelled and/or voided prior to the Fiscal Year for which Special Taxes are being levied shall be reclassified as Undeveloped Property, provided that the levy of the Annual Special Tax after such reclassification shall not be less than 1.1 times the annual Debt Service less Administrative Expenses on all Outstanding Bonds. If Bonds have not been issued, an Assessor's Parcel classified as Developed Property for which such a Building Permit has been cancelled and/or voided shall be reclassified as Undeveloped Property.

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

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

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

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

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

"Lot" means a parcel created by a Final Map on which a Residential Unit can be constructed.

"Lower Income Households Welfare Exemption Property" means, for each Fiscal Year, an Assessor's Parcel that is entitled to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code (or any successor statute), as indicated in the County Assessor's roll finalized as of January 1 of the previous Fiscal Year; provided that such Assessor's Parcel shall not be classified as Lower Income Households Welfare Exemption Property if Debt is outstanding for CFD No. 2022-4 IA1 and the Assessor's Parcel was assumed to be subject to the Special Tax prior to receiving the exemption, in which case the Assessor's Parcel shall remain subject to the Special Tax and the Special Tax shall be enforceable against the Assessor's Parcel.

"Maximum Special Tax" means for each Assessor's Parcel, the maximum Special Tax, determined in accordance with Sections 3.C and 3.D below, which may be levied in a given Fiscal Year on such Assessor's Parcel of Taxable Property.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit has been issued for the purpose of constructing one or more non-residential units or facilities.

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

"Prepayment Amount" means the amount required to prepay the Annual Special Tax obligation in full in or in part for an Assessor's Parcel as described in Section 6 below.

"Property Owner Association Property" means any Assessor's Parcel within the boundaries of CFD No. 2022-4 IA1 owned in fee by a property owner association, including any master or sub-association.

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

“Provisional Property” means all Assessor’s Parcels of Public Property, Property Owner Association Property or property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage as set forth in Section 8.

“Provisional Welfare Property” means all Assessor’s Parcels of Lower Income Households Welfare Exemption Property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage as set forth in Section 8.

“Public Property” means any property within the boundaries of CFD No. 2022-4 IA1, which is owned by, or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency; provided however that any property owned by a public agency and leased to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

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

“Residential Unit” means each separate residential dwelling unit that comprises an independent facility capable of conveyance or rental, separate from adjacent residential dwelling units. This definition does not include Accessory Dwelling Units as defined in the State of California Government Code section 65852.2.

“Special Tax” means any special tax levied within CFD No. 2022-4 IA1 pursuant to the Act and this Rate and Method of Apportionment of Special Tax.

“Special Tax Obligation” means the total obligation of an Assessor’s Parcel of Taxable Property to pay the Special Tax for the remaining life of CFD No. 2022-4 IA1.

“Special Tax Requirement” means that amount required in any Fiscal Year to: (i) pay regularly scheduled Debt Service on all Outstanding Bonds; (ii) pay periodic costs on the Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on the Outstanding Bonds; (iii) pay Administrative Fees and Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) accumulate funds to pay directly for acquisition or construction of facilities provided that the inclusion of such amount does not result in a levy beyond Step 1 of Section 4; and (vi) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less (vii) a credit for funds available to reduce the Annual Special Tax levy, as determined by the CFD Administrator pursuant to the Indenture.

“State” means the State of California.

“**Taxable Property**” means all of the Assessor’s Parcels within the boundaries of CFD No. 2022-4 IA1, which are not exempt from the levy of the Special Tax pursuant to law or Section 8 below.

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

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

2. LAND USE CLASSIFICATION

Each Fiscal Year, beginning with Fiscal Year 2024-25, each Assessor’s Parcel within CFD No. 2022-4 IA1 shall be classified as Taxable Property or Exempt Property. In addition, all Taxable Property shall further be classified as Developed Property, Undeveloped Property, Provisional Welfare Property, or Provisional Property, and all such Taxable Property shall be subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment of Special Tax determined pursuant to Sections 3 and 4 below. Furthermore, each Assessor’s Parcel of Developed Property and Provisional Welfare Property shall be classified according to its applicable Land Use Class based on its Building Square Footage.

3. SPECIAL TAX RATES

A. Assigned Special Tax for Developed Property and Provisional Welfare Property

The Assigned Special Tax applicable to an Assessor's Parcel classified as Developed Property or Provisional Welfare Property commencing in Fiscal Year 2024-25 shall be determined pursuant to Table 1 below.

**Table 1
Assigned Special Tax
Fiscal Year 2024-25**

Land Use Class	Land Use Type	Building Square Footage	Assigned Special Tax
1	Residential Property	> 3,300	\$3,253 per Residential Unit
2	Residential Property	3,101 – 3,300	\$3,136 per Residential Unit
3	Residential Property	2,901 – 3,100	\$3,019 per Residential Unit
4	Residential Property	2,701 – 2,900	\$2,902 per Residential Unit
5	Residential Property	2,501 – 2,700	\$2,785 per Residential Unit
6	Residential Property	2,301 – 2,500	\$2,667 per Residential Unit
7	Residential Property	2,101 – 2,300	\$2,550 per Residential Unit
8	Residential Property	≤ 2,100	\$2,432 per Residential Unit
9	Non-Residential Property	N/A	\$18,150 per Acre

Each July 1, commencing July 1, 2025, the Assigned Special Tax for Developed Property and Provisional Welfare Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

B. Backup Special Tax for Developed Property and Provisional Welfare Property

The Backup Special Tax for Developed Property and Provisional Welfare Property commencing in Fiscal Year 2024-25 shall be \$18,150 per Acre. Each July 1, commencing July 1, 2025, the Backup Special Tax for Developed Property and Provisional Welfare Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

For the purpose of calculating the Backup Special Tax, the land area applicable to a Condominium shall be computed from the Acreage of the Lot on which the Condominium is located, with the Acreage for such Lot allocated equally among all of the Condominiums located or to be located on such Lot.

C. Maximum Special Tax for Developed Property and Provisional Welfare Property

The Maximum Special Tax for Developed Property and Provisional Welfare Property shall be the greater of the Assigned Special Tax for Developed Property and Provisional Welfare Property or the Backup Special Tax for Developed Property and Provisional Welfare Property.

D. Maximum Special Tax for Provisional Property and Undeveloped Property

The Maximum Special Tax for Provisional Property and Undeveloped Property commencing in Fiscal Year 2024-25 shall be \$18,150 per Acre. Each July 1, commencing July 1, 2025, the Maximum Special Tax for Provisional Property and Undeveloped Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

4. METHOD OF APPORTIONMENT

For each Fiscal Year, commencing Fiscal Year 2024-25, the CFD Administrator shall levy the Special Tax on all Taxable Property in accordance with the following steps:

Step 1: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property in an amount up to 100% of the applicable Assigned Special Tax as necessary to satisfy the Special Tax Requirement;

Step 2: If additional monies are needed to satisfy the Special Tax Requirement after Step 1 has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property;

Step 3: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax amount determined in Step 1 shall be increased Proportionately on each Assessor's Parcel of Developed Property up to 100% of the Maximum Special Tax for Developed Property;

Step 4: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Welfare Property up to 100% of the Maximum Special Tax for Provisional Welfare Property;

Step 5: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Property up to 100% of the Maximum Special Tax for Provisional Property;

Notwithstanding the above, under no circumstances will the Special Tax levied in any Fiscal Year against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of a delinquency or default in the payment of the Special Tax applicable to any other Assessor's Parcel within CFD No. 2022-4 IA1 by more than ten percent (10%) above what would have been levied in the absence of such delinquencies or defaults.

5. COLLECTION OF SPECIAL TAXES

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

6. PREPAYMENT OF SPECIAL TAX OBLIGATION

A. Prepayment in Full

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

"CFD Public Facilities Costs" means \$9,500,000 or such lower number as (i) shall be determined by the CFD Administrator as sufficient to acquire or construct the facilities to be financed under the Act and financing program for CFD No. 2022-4 IA1, or (ii) shall be determined by the Council concurrently with a covenant that it will not issue any more Bonds (except refunding bonds).

"Construction Fund" means the fund (regardless of its name) established pursuant to the Indenture to hold funds, which are currently available for expenditure to acquire or construct the facilities or pay fees authorized to be funded by CFD No. 2022-4.

"Future Facilities Costs" means the CFD Public Facilities Costs minus (i) costs previously paid from the Construction Fund to acquire or construct the facilities, (ii) monies currently on deposit in the Construction Fund, and (iii) monies currently on deposit in an escrow or other designated fund that are expected to be available to finance CFD Public Facilities Costs.

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

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

The Special Tax Obligation applicable to an Assessor’s Parcel of Taxable Property for which a Building Permit has been issued or is anticipated to be issued may be prepaid and the obligation to pay the Special Tax for such Assessor’s Parcel permanently satisfied as described herein, provided that a prepayment may be made with respect to a particular Assessor’s Parcel only if there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment or the delinquent special taxes are paid off concurrently with the prepayment to the satisfaction of the CFD Administrator. An owner of an Assessor’s Parcel eligible to prepay the Special Tax Obligation shall provide the CFD Administrator with written notice of intent to prepay, and designate or identify the company or agency that will be acting as the escrow agent, if any. The CFD Administrator shall provide the owner with a statement of the Prepayment Amount for such Assessor’s Parcel within thirty (30) days of the request, and may charge a reasonable fee for providing this service. Prepayment must be made at least 60 days prior to any redemption date for the CFD No. 2022-4 IA1 Bonds to be redeemed with the proceeds of such prepaid Special Taxes, unless a shorter period is acceptable to the Trustee and the City.

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

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

As of the proposed date of prepayment, the Prepayment Amount (defined in Step 14 below) shall be calculated as follows:

Step No.:

1. Confirm that no Special Tax delinquencies apply to such Assessor’s Parcel.
2. For Assessor’s Parcels of Developed Property, determine the Maximum Special Tax. For Assessor’s Parcels of Undeveloped Property for which a Building Permit has been issued, compute the Maximum Special Tax for that Assessor’s Parcel as though it was already designated as Developed Property, based upon the Building Permit which has already been issued for that Assessor’s Parcel.
3. Divide the Maximum Special Tax computed pursuant to paragraph 2 by the total expected Maximum Special Tax revenue for CFD No. 2022-4 IA1 assuming all Building Permits have been issued (build-out) within CFD No. 2022-4 IA1, excluding any Assessor’s Parcels for which the Special Tax Obligation has been previously prepaid.

4. Multiply the quotient computed pursuant to paragraph 3 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid for all applicable parcels and round that amount up to the nearest \$5,000 increment (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (expressed as a percentage), if any, on the Outstanding Bonds to be redeemed at the first available call date (the "Redemption Premium").
6. Compute the Future Facilities Costs.
7. Multiply the quotient computed pursuant to paragraph 3 by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Prepayment Amount").
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the expected redemption date for the Outstanding Bonds which, depending on the Indenture, may be as early as the next interest payment date, but the redemption date may be any date determined by the CFD Administrator as convenient and appropriate and permitted by the Indenture and does not have to be the next interest payment date.
9. Compute the amount the CFD Administrator reasonably expects to derive from the reinvestment of the Prepayment Amount less the Future Facilities Prepayment Amount and the Prepayment Administrative Fees from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.
10. Subtract the amount computed in paragraph 9 from the amount computed in paragraph 8 (the "Defeasance Amount").
11. Calculate the administrative fees and expenses of CFD No. 2022-4 IA1, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming CFD No. 2022-4 IA1, and the costs of recording any notices to evidence the prepayment and the redemption (the "Prepayment Administrative Fees").
12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment calculation date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "Reserve Fund Credit"). No Reserve Fund Credit shall be granted if, after the Prepayment Amount is calculated, reserve funds are below 100% of the reserve requirement.
13. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to paragraph 3 by the expected balance in the

capitalized interest fund after such first interest and/or principal payment (the “Capitalized Interest Credit”).

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

15. From the Prepayment Amount, the sum of the amounts computed pursuant to paragraphs 4, 5, and 10, less the amounts computed pursuant to paragraphs 12 and 13 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make Debt Service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Construction Fund. The amount computed pursuant to paragraph 11 shall be retained by CFD No. 2022-4.

The Prepayment Amount may be sufficient to redeem an amount other than a \$5,000 increment of CFD No. 2022-4 IA1 Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to redeem CFD No. 2022-4 IA1 Bonds to be used with the next prepayment of CFD No. 2022-4 IA1 Bonds.

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

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

B. Partial Prepayment

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

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

These terms have the following meaning:

PP = the partial prepayment

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

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

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

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

With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section 6.A., and (ii) indicate in the records of CFD No. 2022-4 IA1 that there has been a partial prepayment of the Special Tax Obligation and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel.

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

7. TERM OF SPECIAL TAX

The Special Tax shall be levied as long as necessary to meet the Special Tax Requirement for a period not to exceed fifty (50) Fiscal Years commencing with Fiscal Year 2024-25, provided however that the Special Tax will cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined that all required interest and principal payments on CFD No. 2022-4 IA1 bonds have been paid.

8. EXEMPTIONS

The CFD Administrator shall classify as Exempt Property (i) Assessor's Parcels of Public Property, (ii) Assessor's Parcels of Property Owner Association Property, or (iii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Lower Income Households Welfare Exemption Property, and (vi) Assessor's Parcels of Developed Property classified as Non-Residential Property as determined reasonably by the CFD Administrator, provided that no such classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA1 to less than 33.00 Acres. Assessor's Parcels of Lower Income Households Welfare Exemption Property which cannot be classified as Exempt Property because such classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA1 to less than 33.00 Acres shall be classified as Provisional Welfare Property and will continue to be subject to the CFD No. 2022-4 IA1 Special Taxes accordingly. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce

the sum of all Taxable Property in CFD No. 2022-4 IA1 to less than 33.00 Acres shall be classified as Provisional Property and will continue to be subject to the CFD No. 2022-4 IA1 Special Taxes accordingly. Tax exempt status for the purpose of this paragraph will be assigned by the CFD Administrator in the chronological order in which property becomes eligible for classification as Exempt Property.

If the use of an Assessor's Parcel of Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in the first paragraph of Section 8 above that would make such Assessor's Parcel eligible to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property.

9. APPEALS

Any landowner who pays the Special Tax and claims the amount of the Special Tax levied on his or her Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error not later than thirty-six (36) months after first having paid the first installment of the Special Tax that is disputed. If following such consultation the CFD Administrator determines that an error has occurred, then the CFD Administrator shall take any of the following actions, in order of priority, in order to correct the error:

- (i) Amend the Special Tax levy on the landowner's Assessor's Parcel(s) for the current Fiscal Year prior to the payment date,
- (ii) Require the CFD to reimburse the landowner for the amount of the overpayment to the extent of available CFD funds, or
- (iii) Grant a credit against, eliminate or reduce the future Special Taxes on the landowner's Assessor's Parcel(s) in the amount of the overpayment.

If following such consultation and action by the CFD Administrator the landowner believes such error still exists, such person may file a written notice of appeal with the City Council. Upon the receipt of such notice, the City Council or designee may establish such procedures as deemed necessary to undertake the review of any such appeal. If the City Council or designee determines an error still exists, the CFD Administrator shall take any of the actions described as (i), (ii) and (iii) above, in order of priority, in order to correct the error.

10. INTERPRETATIONS

The City Council or designee thereof shall interpret this Rate and Method of Apportionment of Special Tax for purposes of clarifying any ambiguities and make determinations relative to the administration of the Special Tax and any landowner appeals. The decision of the City Council or designee shall be final.

EXHIBIT D

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX OF
IMPROVEMENT AREA NO. 2 OF COMMUNITY FACILITIES DISTRICT NO. 2022-4
(PARK WEST)**

[SEE ATTACHED]

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST) IMPROVEMENT AREA NO. 2

A Special Tax shall be levied on all Taxable Property within the boundaries of Improvement Area No. 2 of Community Facilities District No. 2022-4 (Park West) of the City of Perris (“CFD No. 2022-4 IA2”) and collected each Fiscal Year commencing in Fiscal Year 2024-25, in an amount determined by the CFD Administrator through the application of the procedures described below. All of the real property within CFD No. 2022-4 IA2, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

1. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Acre**” or “**Acreage**” means the land area of an Assessor’s Parcel as shown on an Assessor’s Parcel Map, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Final Map. An Acre means 43,560 square feet of land.

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

“**Administrative Expenses**” means the following actual or reasonably estimated costs related to the administration of CFD No. 2022-4 IA2 including, but not limited to: the costs of preparing and computing the Annual Special Tax (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City, the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2022-4 IA2, or any designee thereof complying with arbitrage rebate requirements, including without limitation rebate liability costs and periodic rebate calculations; the costs to the City, CFD No. 2022-4 IA2, or any designee thereof complying with disclosure or reporting requirements of the City or CFD No. 2022-4 IA2, associated with applicable federal and State laws; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs to the City, CFD No. 2022-4 IA2, or any designee thereof related to an appeal of the Special Tax; and the City’s annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2022-4 IA2 for any other administrative purposes of CFD No. 2022-4 IA2, including attorney’s fees and other costs related to commencing and pursuing any foreclosure of delinquent Special Taxes.

“**Annual Special Tax**” means the Special Tax actually levied in any Fiscal Year on any Assessor’s Parcel.

“**Assessor**” means the Assessor of the County of Riverside.

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

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

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

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

“Backup Special Tax” means the Special Tax of that name described in Section 3.B below.

“Bonds” means any bonds or other Debt of CFD No. 2022-4 IA2, whether in one or more series, secured by the levy of Special Taxes.

“Boundary Map” means the map of the boundaries of CFD No. 2022-4 recorded on _____ in the Riverside County Recorder's Office in Book __, Page __, of Maps of Assessments and Community Facilities Districts (instrument number __ - __).

“Building Permit” means a building permit for construction of a Residential Unit within CFD No. 2022-4 IA2 issued by the City.

“Building Square Footage” means all of the square footage of usable area within the perimeter of a primary residential structure, not including any carport, walkway, garage, overhang, or similar area. The determination of Building Square Footage shall be made by reference to the Building Permit(s) issued for such Assessor's Parcel and/or by reference to appropriate records kept by the City.

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

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

“CFD No. 2022-4” means the Community Facilities District No. 2022-4 (Park West) Improvement Area No. 2 of the City of Perris.

“City” means the City of Perris, California.

“Council” means the City Council of the City acting as the legislative body of CFD No. 2022-4 under the Act.

“County” means the County of Riverside, California.

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

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

“Developed Property” means for each Fiscal Year, all Taxable Property, exclusive of Provisional Property and Provisional Welfare Property, for which a Building Permit was issued prior to May

1 of the previous Fiscal Year. An Assessor's Parcel classified as Developed Property but for which the Building Permit that caused such Assessor's Parcel to be classified as Developed Property has been cancelled and/or voided prior to the Fiscal Year for which Special Taxes are being levied shall be reclassified as Undeveloped Property, provided that the levy of the Annual Special Tax after such reclassification shall not be less than 1.1 times the annual Debt Service less Administrative Expenses on all Outstanding Bonds. If Bonds have not been issued, an Assessor's Parcel classified as Developed Property for which such a Building Permit has been cancelled and/or voided shall be reclassified as Undeveloped Property.

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

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

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

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

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

"Lot" means a parcel created by a Final Map on which a Residential Unit can be constructed.

"Lower Income Households Welfare Exemption Property" means, for each Fiscal Year, an Assessor's Parcel that is entitled to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code (or any successor statute), as indicated in the County Assessor's roll finalized as of January 1 of the previous Fiscal Year; provided that such Assessor's Parcel shall not be classified as Lower Income Households Welfare Exemption Property if Debt is outstanding for CFD No. 2022-4 IA2 and the Assessor's Parcel was assumed to be subject to the Special Tax prior to receiving the exemption, in which case the Assessor's Parcel shall remain subject to the Special Tax and the Special Tax shall be enforceable against the Assessor's Parcel.

"Maximum Special Tax" means for each Assessor's Parcel, the maximum Special Tax, determined in accordance with Sections 3.C and 3.D below, which may be levied in a given Fiscal Year on such Assessor's Parcel of Taxable Property.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit has been issued for the purpose of constructing one or more non-residential units or facilities.

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

"Prepayment Amount" means the amount required to prepay the Annual Special Tax obligation in full in or in part for an Assessor's Parcel as described in Section 6 below.

"Property Owner Association Property" means any Assessor's Parcel within the boundaries of CFD No. 2022-4 IA2 owned in fee by a property owner association, including any master or sub-association.

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

“Provisional Property” means all Assessor’s Parcels of Public Property, Property Owner Association Property or property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage as set forth in Section 8.

“Provisional Welfare Property” means all Assessor’s Parcels of Lower Income Households Welfare Exemption Property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage as set forth in Section 8.

“Public Property” means any property within the boundaries of CFD No. 2022-4 IA2, which is owned by, or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency; provided however that any property owned by a public agency and leased to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

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

“Residential Unit” means each separate residential dwelling unit that comprises an independent facility capable of conveyance or rental, separate from adjacent residential dwelling units. This definition does not include Accessory Dwelling Units as defined in the State of California Government Code section 65852.2.

“Special Tax” means any special tax levied within CFD No. 2022-4 IA2 pursuant to the Act and this Rate and Method of Apportionment of Special Tax.

“Special Tax Obligation” means the total obligation of an Assessor’s Parcel of Taxable Property to pay the Special Tax for the remaining life of CFD No. 2022-4 IA2.

“Special Tax Requirement” means that amount required in any Fiscal Year to: (i) pay regularly scheduled Debt Service on all Outstanding Bonds; (ii) pay periodic costs on the Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on the Outstanding Bonds; (iii) pay Administrative Fees and Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) accumulate funds to pay directly for acquisition or construction of facilities provided that the inclusion of such amount does not result in a levy beyond Step 1 of Section 4; and (vi) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less (vii) a credit for funds available to reduce the Annual Special Tax levy, as determined by the CFD Administrator pursuant to the Indenture.

“State” means the State of California.

“**Taxable Property**” means all of the Assessor's Parcels within the boundaries of CFD No. 2022-4 IA2, which are not exempt from the levy of the Special Tax pursuant to law or Section 8 below.

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

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

2. LAND USE CLASSIFICATION

Each Fiscal Year, beginning with Fiscal Year 2024-25, each Assessor’s Parcel within CFD No. 2022-4 IA2 shall be classified as Taxable Property or Exempt Property. In addition, all Taxable Property shall further be classified as Developed Property, Undeveloped Property, Provisional Welfare Property, or Provisional Property, and all such Taxable Property shall be subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment of Special Tax determined pursuant to Sections 3 and 4 below. Furthermore, each Assessor’s Parcel of Developed Property and Provisional Welfare Property shall be classified according to its applicable Land Use Class based on its Building Square Footage.

3. SPECIAL TAX RATES

A. Assigned Special Tax for Developed Property and Provisional Welfare Property

The Assigned Special Tax applicable to an Assessor's Parcel classified as Developed Property or Provisional Welfare Property commencing in Fiscal Year 2024-25 shall be determined pursuant to Table 1 below.

**Table 1
Assigned Special Tax
Fiscal Year 2024-25**

Land Use Class	Land Use Type	Building Square Footage	Assigned Special Tax
1	Residential Property	> 3,300	\$3,146 per Residential Unit
2	Residential Property	3,101 – 3,300	\$3,032 per Residential Unit
3	Residential Property	2,901 – 3,100	\$2,917 per Residential Unit
4	Residential Property	2,701 – 2,900	\$2,802 per Residential Unit
5	Residential Property	2,501 – 2,700	\$2,687 per Residential Unit
6	Residential Property	2,301 – 2,500	\$2,572 per Residential Unit
7	Residential Property	2,101 – 2,300	\$2,457 per Residential Unit
8	Residential Property	≤ 2,100	\$2,342 per Residential Unit
9	Non-Residential Property	N/A	\$23,071 per Acre

Each July 1, commencing July 1, 2025, the Assigned Special Tax for Developed Property and Provisional Welfare Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

B. Backup Special Tax for Developed Property and Provisional Welfare Property

The Backup Special Tax for Developed Property and Provisional Welfare Property commencing in Fiscal Year 2024-25 shall be \$23,071 per Acre. Each July 1, commencing July 1, 2025, the Backup Special Tax for Developed Property and Provisional Welfare Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

For the purpose of calculating the Backup Special Tax, the land area applicable to a Condominium shall be computed from the Acreage of the Lot on which the Condominium is located, with the Acreage for such Lot allocated equally among all of the Condominiums located or to be located on such Lot.

C. Maximum Special Tax for Developed Property and Provisional Welfare Property

The Maximum Special Tax for Developed Property and Provisional Welfare Property shall be the greater of the Assigned Special Tax for Developed Property and Provisional Welfare Property or the Backup Special Tax for Developed Property and Provisional Welfare Property.

D. Maximum Special Tax for Provisional Property and Undeveloped Property

The Maximum Special Tax for Provisional Property and Undeveloped Property commencing in Fiscal Year 2024-25 shall be \$23,071 per Acre. Each July 1, commencing July 1, 2025, the Maximum Special Tax for Provisional Property and Undeveloped Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

4. METHOD OF APPORTIONMENT

For each Fiscal Year, commencing Fiscal Year 2024-25, the CFD Administrator shall levy the Special Tax on all Taxable Property in accordance with the following steps:

Step 1: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property in an amount up to 100% of the applicable Assigned Special Tax as necessary to satisfy the Special Tax Requirement;

Step 2: If additional monies are needed to satisfy the Special Tax Requirement after Step 1 has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property;

Step 3: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax amount determined in Step 1 shall be increased Proportionately on each Assessor's Parcel of Developed Property up to 100% of the Maximum Special Tax for Developed Property;

Step 4: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Welfare Property up to 100% of the Maximum Special Tax for Provisional Welfare Property;

Step 5: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Property up to 100% of the Maximum Special Tax for Provisional Property;

Notwithstanding the above, under no circumstances will the Special Tax levied in any Fiscal Year against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of a delinquency or default in the payment of the Special Tax applicable to any other Assessor's Parcel within CFD No. 2022-4 IA2 by more than ten percent (10%) above what would have been levied in the absence of such delinquencies or defaults.

5. COLLECTION OF SPECIAL TAXES

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

6. PREPAYMENT OF SPECIAL TAX OBLIGATION

A. Prepayment in Full

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

"CFD Public Facilities Costs" means \$8,500,000 or such lower number as (i) shall be determined by the CFD Administrator as sufficient to acquire or construct the facilities to be financed under the Act and financing program for CFD No. 2022-4 IA2, or (ii) shall be determined by the Council concurrently with a covenant that it will not issue any more Bonds (except refunding bonds).

"Construction Fund" means the fund (regardless of its name) established pursuant to the Indenture to hold funds, which are currently available for expenditure to acquire or construct the facilities or pay fees authorized to be funded by CFD No. 2022-4.

"Future Facilities Costs" means the CFD Public Facilities Costs minus (i) costs previously paid from the Construction Fund to acquire or construct the facilities, (ii) monies currently on deposit in the Construction Fund, and (iii) monies currently on deposit in an escrow or other designated fund that are expected to be available to finance CFD Public Facilities Costs.

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

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

The Special Tax Obligation applicable to an Assessor’s Parcel of Taxable Property for which a Building Permit has been issued or is anticipated to be issued may be prepaid and the obligation to pay the Special Tax for such Assessor’s Parcel permanently satisfied as described herein, provided that a prepayment may be made with respect to a particular Assessor’s Parcel only if there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment or the delinquent special taxes are paid off concurrently with the prepayment to the satisfaction of the CFD Administrator. An owner of an Assessor’s Parcel eligible to prepay the Special Tax Obligation shall provide the CFD Administrator with written notice of intent to prepay, and designate or identify the company or agency that will be acting as the escrow agent, if any. The CFD Administrator shall provide the owner with a statement of the Prepayment Amount for such Assessor’s Parcel within thirty (30) days of the request, and may charge a reasonable fee for providing this service. Prepayment must be made at least 60 days prior to any redemption date for the CFD No. 2022-4 IA2 Bonds to be redeemed with the proceeds of such prepaid Special Taxes, unless a shorter period is acceptable to the Trustee and the City.

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

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

As of the proposed date of prepayment, the Prepayment Amount (defined in Step 14 below) shall be calculated as follows:

Step No.:

1. Confirm that no Special Tax delinquencies apply to such Assessor’s Parcel.
2. For Assessor’s Parcels of Developed Property, determine the Maximum Special Tax. For Assessor’s Parcels of Undeveloped Property for which a Building Permit has been issued, compute the Maximum Special Tax for that Assessor’s Parcel as though it was already designated as Developed Property, based upon the Building Permit which has already been issued for that Assessor’s Parcel.
3. Divide the Maximum Special Tax computed pursuant to paragraph 2 by the total expected Maximum Special Tax revenue for CFD No. 2022-4 IA2 assuming all

Building Permits have been issued (build-out) within CFD No. 2022-4 IA2, excluding any Assessor's Parcels for which the Special Tax Obligation has been previously prepaid.

4. Multiply the quotient computed pursuant to paragraph 3 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid for all applicable parcels and round that amount up to the nearest \$5,000 increment (the "Bond Redemption Amount").

5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (expressed as a percentage), if any, on the Outstanding Bonds to be redeemed at the first available call date (the "Redemption Premium").

6. Compute the Future Facilities Costs.

7. Multiply the quotient computed pursuant to paragraph 3 by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Prepayment Amount").

8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the expected redemption date for the Outstanding Bonds which, depending on the Indenture, may be as early as the next interest payment date, but the redemption date may be any date determined by the CFD Administrator as convenient and appropriate and permitted by the Indenture and does not have to be the next interest payment date.

9. Compute the amount the CFD Administrator reasonably expects to derive from the reinvestment of the Prepayment Amount less the Future Facilities Prepayment Amount and the Prepayment Administrative Fees from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.

10. Subtract the amount computed in paragraph 9 from the amount computed in paragraph 8 (the "Defeasance Amount").

11. Calculate the administrative fees and expenses of CFD No. 2022-4 IA2, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming CFD No. 2022-4 IA2, and the costs of recording any notices to evidence the prepayment and the redemption (the "Prepayment Administrative Fees").

12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment calculation date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "Reserve Fund Credit"). No Reserve Fund Credit shall be granted if, after the Prepayment Amount is calculated, reserve funds are below 100% of the reserve requirement.

13. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to paragraph 3 by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the "Capitalized Interest Credit").

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

15. From the Prepayment Amount, the sum of the amounts computed pursuant to paragraphs 4, 5, and 10, less the amounts computed pursuant to paragraphs 12 and 13 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make Debt Service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Construction Fund. The amount computed pursuant to paragraph 11 shall be retained by CFD No. 2022-4.

The Prepayment Amount may be sufficient to redeem an amount other than a \$5,000 increment of CFD No. 2022-4 IA2 Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to redeem CFD No. 2022-4 IA2 Bonds to be used with the next prepayment of CFD No. 2022-4 IA2 Bonds.

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

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

B. Partial Prepayment

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

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

These terms have the following meaning:

PP = the partial prepayment
P_E = the Prepayment Amount calculated according to Section 6.A
F = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax Obligation
A = the Prepayment Administrative Fees and Expenses from Section 6.A

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

With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section 6.A., and (ii) indicate in the records of CFD No. 2022-4 IA2 that there has been a partial prepayment of the Special Tax Obligation and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel.

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

7. TERM OF SPECIAL TAX

The Special Tax shall be levied as long as necessary to meet the Special Tax Requirement for a period not to exceed fifty (50) Fiscal Years commencing with Fiscal Year 2024-25, provided however that the Special Tax will cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined that all required interest and principal payments on CFD No. 2022-4 IA2 bonds have been paid.

8. EXEMPTIONS

The CFD Administrator shall classify as Exempt Property (i) Assessor's Parcels of Public Property, (ii) Assessor's Parcels of Property Owner Association Property, or (iii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Lower Income Households Welfare Exemption Property, and (vi) Assessor's Parcels of Developed Property classified as Non-Residential Property as determined reasonably by the CFD Administrator, provided that no such classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA2 to less than 21.89 Acres. Assessor's Parcels of Lower Income Households Welfare Exemption Property which cannot be classified as Exempt Property because such

classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA2 to less than 21.89 Acres shall be classified as Provisional Welfare Property and will continue to be subject to the CFD No. 2022-4 IA2 Special Taxes accordingly. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA2 to less than 21.89 Acres shall be classified as Provisional Property and will continue to be subject to the CFD No. 2022-4 IA2 Special Taxes accordingly. Tax exempt status for the purpose of this paragraph will be assigned by the CFD Administrator in the chronological order in which property becomes eligible for classification as Exempt Property.

If the use of an Assessor's Parcel of Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in the first paragraph of Section 8 above that would make such Assessor's Parcel eligible to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property.

9. APPEALS

Any landowner who pays the Special Tax and claims the amount of the Special Tax levied on his or her Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error not later than thirty-six (36) months after first having paid the first installment of the Special Tax that is disputed. If following such consultation the CFD Administrator determines that an error has occurred, then the CFD Administrator shall take any of the following actions, in order of priority, in order to correct the error:

- (i) Amend the Special Tax levy on the landowner's Assessor's Parcel(s) for the current Fiscal Year prior to the payment date,
- (ii) Require the CFD to reimburse the landowner for the amount of the overpayment to the extent of available CFD funds, or
- (iii) Grant a credit against, eliminate or reduce the future Special Taxes on the landowner's Assessor's Parcel(s) in the amount of the overpayment.

If following such consultation and action by the CFD Administrator the landowner believes such error still exists, such person may file a written notice of appeal with the City Council. Upon the receipt of such notice, the City Council or designee may establish such procedures as deemed necessary to undertake the review of any such appeal. If the City Council or designee determines an error still exists, the CFD Administrator shall take any of the actions described as (i), (ii) and (iii) above, in order of priority, in order to correct the error.

10. INTERPRETATIONS

The City Council or designee thereof shall interpret this Rate and Method of Apportionment of Special Tax for purposes of clarifying any ambiguities and make determinations relative to the administration of the Special Tax and any landowner appeals. The decision of the City Council or designee shall be final.

EXHIBIT E

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX OF
IMPROVEMENT AREA NO. 3 OF COMMUNITY FACILITIES DISTRICT NO. 2022-4
(PARK WEST)**

[SEE ATTACHED]

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST) IMPROVEMENT AREA NO. 3

A Special Tax shall be levied on all Taxable Property within the boundaries of Improvement Area No. 3 of Community Facilities District No. 2022-4 (Park West) of the City of Perris (“CFD No. 2022-4 IA3”) and collected each Fiscal Year commencing in Fiscal Year 2024-25, in an amount determined by the CFD Administrator through the application of the procedures described below. All of the real property within CFD No. 2022-4 IA3, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

1. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Acre**” or “**Acreage**” means the land area of an Assessor’s Parcel as shown on an Assessor’s Parcel Map, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Final Map. An Acre means 43,560 square feet of land.

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

“**Administrative Expenses**” means the following actual or reasonably estimated costs related to the administration of CFD No. 2022-4 IA3 including, but not limited to: the costs of preparing and computing the Annual Special Tax (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City, the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2022-4 IA3, or any designee thereof complying with arbitrage rebate requirements, including without limitation rebate liability costs and periodic rebate calculations; the costs to the City, CFD No. 2022-4 IA3, or any designee thereof complying with disclosure or reporting requirements of the City or CFD No. 2022-4 IA3, associated with applicable federal and State laws; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs to the City, CFD No. 2022-4 IA3, or any designee thereof related to an appeal of the Special Tax; and the City’s annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2022-4 IA3 for any other administrative purposes of CFD No. 2022-4 IA3, including attorney’s fees and other costs related to commencing and pursuing any foreclosure of delinquent Special Taxes.

“**Annual Special Tax**” means the Special Tax actually levied in any Fiscal Year on any Assessor’s Parcel.

“**Assessor**” means the Assessor of the County of Riverside.

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

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

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

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

“Backup Special Tax” means the Special Tax of that name described in Section 3.B below.

“Bonds” means any bonds or other Debt of CFD No. 2022-4 IA3, whether in one or more series, secured by the levy of Special Taxes.

“Boundary Map” means the map of the boundaries of CFD No. 2022-4 recorded on _____ in the Riverside County Recorder's Office in Book __, Page __, of Maps of Assessments and Community Facilities Districts (instrument number __ - __).

“Building Permit” means a building permit for construction of a Residential Unit within CFD No. 2022-4 IA3 issued by the City.

“Building Square Footage” means all of the square footage of usable area within the perimeter of a primary residential structure, not including any carport, walkway, garage, overhang, or similar area. The determination of Building Square Footage shall be made by reference to the Building Permit(s) issued for such Assessor's Parcel and/or by reference to appropriate records kept by the City.

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

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

“CFD No. 2022-4” means the Community Facilities District No. 2022-4 (Park West) Improvement Area No. 3 of the City of Perris.

“City” means the City of Perris, California.

“Council” means the City Council of the City acting as the legislative body of CFD No. 2022-4 under the Act.

“County” means the County of Riverside, California.

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

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

“Developed Property” means for each Fiscal Year, all Taxable Property, exclusive of Provisional Property and Provisional Welfare Property, for which a Building Permit was issued prior to May

1 of the previous Fiscal Year. An Assessor's Parcel classified as Developed Property but for which the Building Permit that caused such Assessor's Parcel to be classified as Developed Property has been cancelled and/or voided prior to the Fiscal Year for which Special Taxes are being levied shall be reclassified as Undeveloped Property, provided that the levy of the Annual Special Tax after such reclassification shall not be less than 1.1 times the annual Debt Service less Administrative Expenses on all Outstanding Bonds. If Bonds have not been issued, an Assessor's Parcel classified as Developed Property for which such a Building Permit has been cancelled and/or voided shall be reclassified as Undeveloped Property.

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

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

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

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

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

"Lot" means a parcel created by a Final Map on which a Residential Unit can be constructed.

"Lower Income Households Welfare Exemption Property" means, for each Fiscal Year, an Assessor's Parcel that is entitled to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code (or any successor statute), as indicated in the County Assessor's roll finalized as of January 1 of the previous Fiscal Year; provided that such Assessor's Parcel shall not be classified as Lower Income Households Welfare Exemption Property if Debt is outstanding for CFD No. 2022-4 IA3 and the Assessor's Parcel was assumed to be subject to the Special Tax prior to receiving the exemption, in which case the Assessor's Parcel shall remain subject to the Special Tax and the Special Tax shall be enforceable against the Assessor's Parcel.

"Maximum Special Tax" means for each Assessor's Parcel, the maximum Special Tax, determined in accordance with Sections 3.C and 3.D below, which may be levied in a given Fiscal Year on such Assessor's Parcel of Taxable Property.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit has been issued for the purpose of constructing one or more non-residential units or facilities.

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

"Prepayment Amount" means the amount required to prepay the Annual Special Tax obligation in full in or in part for an Assessor's Parcel as described in Section 6 below.

"Property Owner Association Property" means any Assessor's Parcel within the boundaries of CFD No. 2022-4 IA3 owned in fee by a property owner association, including any master or sub-association.

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

“Provisional Property” means all Assessor’s Parcels of Public Property, Property Owner Association Property or property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage as set forth in Section 8.

“Provisional Welfare Property” means all Assessor’s Parcels of Lower Income Households Welfare Exemption Property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage as set forth in Section 8.

“Public Property” means any property within the boundaries of CFD No. 2022-4 IA3, which is owned by, or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency; provided however that any property owned by a public agency and leased to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

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

“Residential Unit” means each separate residential dwelling unit that comprises an independent facility capable of conveyance or rental, separate from adjacent residential dwelling units. This definition does not include Accessory Dwelling Units as defined in the State of California Government Code section 65852.2.

“Special Tax” means any special tax levied within CFD No. 2022-4 IA3 pursuant to the Act and this Rate and Method of Apportionment of Special Tax.

“Special Tax Obligation” means the total obligation of an Assessor’s Parcel of Taxable Property to pay the Special Tax for the remaining life of CFD No. 2022-4 IA3.

“Special Tax Requirement” means that amount required in any Fiscal Year to: (i) pay regularly scheduled Debt Service on all Outstanding Bonds; (ii) pay periodic costs on the Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on the Outstanding Bonds; (iii) pay Administrative Fees and Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) accumulate funds to pay directly for acquisition or construction of facilities provided that the inclusion of such amount does not result in a levy beyond Step 1 of Section 4; and (vi) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less (vii) a credit for funds available to reduce the Annual Special Tax levy, as determined by the CFD Administrator pursuant to the Indenture.

“State” means the State of California.

“**Taxable Property**” means all of the Assessor's Parcels within the boundaries of CFD No. 2022-4 IA3, which are not exempt from the levy of the Special Tax pursuant to law or Section 8 below.

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

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

2. LAND USE CLASSIFICATION

Each Fiscal Year, beginning with Fiscal Year 2024-25, each Assessor’s Parcel within CFD No. 2022-4 IA3 shall be classified as Taxable Property or Exempt Property. In addition, all Taxable Property shall further be classified as Developed Property, Undeveloped Property, Provisional Welfare Property, or Provisional Property, and all such Taxable Property shall be subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment of Special Tax determined pursuant to Sections 3 and 4 below. Furthermore, each Assessor’s Parcel of Developed Property and Provisional Welfare Property shall be classified according to its applicable Land Use Class based on its Building Square Footage.

3. SPECIAL TAX RATES

A. Assigned Special Tax for Developed Property and Provisional Welfare Property

The Assigned Special Tax applicable to an Assessor's Parcel classified as Developed Property or Provisional Welfare Property commencing in Fiscal Year 2024-25 shall be determined pursuant to Table 1 below.

**Table 1
Assigned Special Tax
Fiscal Year 2024-25**

Land Use Class	Land Use Type	Building Square Footage	Assigned Special Tax
1	Residential Property	> 3,300	\$3,253 per Residential Unit
2	Residential Property	3,101 – 3,300	\$3,136 per Residential Unit
3	Residential Property	2,901 – 3,100	\$3,019 per Residential Unit
4	Residential Property	2,701 – 2,900	\$2,902 per Residential Unit
5	Residential Property	2,501 – 2,700	\$2,785 per Residential Unit
6	Residential Property	2,301 – 2,500	\$2,667 per Residential Unit
7	Residential Property	2,101 – 2,300	\$2,550 per Residential Unit
8	Residential Property	≤ 2,100	\$2,432 per Residential Unit
9	Non-Residential Property	N/A	\$20,349 per Acre

Each July 1, commencing July 1, 2025, the Assigned Special Tax for Developed Property and Provisional Welfare Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

B. Backup Special Tax for Developed Property and Provisional Welfare Property

The Backup Special Tax for Developed Property and Provisional Welfare Property commencing in Fiscal Year 2024-25 shall be \$20,349 per Acre. Each July 1, commencing July 1, 2025, the Backup Special Tax for Developed Property and Provisional Welfare Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

For the purpose of calculating the Backup Special Tax, the land area applicable to a Condominium shall be computed from the Acreage of the Lot on which the Condominium is located, with the Acreage for such Lot allocated equally among all of the Condominiums located or to be located on such Lot.

C. Maximum Special Tax for Developed Property and Provisional Welfare Property

The Maximum Special Tax for Developed Property and Provisional Welfare Property shall be the greater of the Assigned Special Tax for Developed Property and Provisional Welfare Property or the Backup Special Tax for Developed Property and Provisional Welfare Property.

D. Maximum Special Tax for Provisional Property and Undeveloped Property

The Maximum Special Tax for Provisional Property and Undeveloped Property commencing in Fiscal Year 2024-25 shall be \$20,349 per Acre. Each July 1, commencing July 1, 2025, the Maximum Special Tax for Provisional Property and Undeveloped Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

4. METHOD OF APPORTIONMENT

For each Fiscal Year, commencing Fiscal Year 2024-25, the CFD Administrator shall levy the Special Tax on all Taxable Property in accordance with the following steps:

Step 1: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property in an amount up to 100% of the applicable Assigned Special Tax as necessary to satisfy the Special Tax Requirement;

Step 2: If additional monies are needed to satisfy the Special Tax Requirement after Step 1 has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property;

Step 3: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax amount determined in Step 1 shall be increased Proportionately on each Assessor's Parcel of Developed Property up to 100% of the Maximum Special Tax for Developed Property;

Step 4: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Welfare Property up to 100% of the Maximum Special Tax for Provisional Welfare Property;

Step 5: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Property up to 100% of the Maximum Special Tax for Provisional Property;

Notwithstanding the above, under no circumstances will the Special Tax levied in any Fiscal Year against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of a delinquency or default in the payment of the Special Tax applicable to any other Assessor's Parcel within CFD No. 2022-4 IA3 by more than ten percent (10%) above what would have been levied in the absence of such delinquencies or defaults.

5. COLLECTION OF SPECIAL TAXES

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

6. PREPAYMENT OF SPECIAL TAX OBLIGATION

A. Prepayment in Full

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

"CFD Public Facilities Costs" means \$6,000,000 or such lower number as (i) shall be determined by the CFD Administrator as sufficient to acquire or construct the facilities to be financed under the Act and financing program for CFD No. 2022-4 IA3, or (ii) shall be determined by the Council concurrently with a covenant that it will not issue any more Bonds (except refunding bonds).

"Construction Fund" means the fund (regardless of its name) established pursuant to the Indenture to hold funds, which are currently available for expenditure to acquire or construct the facilities or pay fees authorized to be funded by CFD No. 2022-4.

"Future Facilities Costs" means the CFD Public Facilities Costs minus (i) costs previously paid from the Construction Fund to acquire or construct the facilities, (ii) monies currently on deposit in the Construction Fund, and (iii) monies currently on deposit in an escrow or other designated fund that are expected to be available to finance CFD Public Facilities Costs.

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

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

The Special Tax Obligation applicable to an Assessor’s Parcel of Taxable Property for which a Building Permit has been issued or is anticipated to be issued may be prepaid and the obligation to pay the Special Tax for such Assessor’s Parcel permanently satisfied as described herein, provided that a prepayment may be made with respect to a particular Assessor’s Parcel only if there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment or the delinquent special taxes are paid off concurrently with the prepayment to the satisfaction of the CFD Administrator. An owner of an Assessor’s Parcel eligible to prepay the Special Tax Obligation shall provide the CFD Administrator with written notice of intent to prepay, and designate or identify the company or agency that will be acting as the escrow agent, if any. The CFD Administrator shall provide the owner with a statement of the Prepayment Amount for such Assessor’s Parcel within thirty (30) days of the request, and may charge a reasonable fee for providing this service. Prepayment must be made at least 60 days prior to any redemption date for the CFD No. 2022-4 IA3 Bonds to be redeemed with the proceeds of such prepaid Special Taxes, unless a shorter period is acceptable to the Trustee and the City.

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

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

As of the proposed date of prepayment, the Prepayment Amount (defined in Step 14 below) shall be calculated as follows:

Step No.:

1. Confirm that no Special Tax delinquencies apply to such Assessor’s Parcel.
2. For Assessor’s Parcels of Developed Property, determine the Maximum Special Tax. For Assessor’s Parcels of Undeveloped Property for which a Building Permit has been issued, compute the Maximum Special Tax for that Assessor’s Parcel as though it was already designated as Developed Property, based upon the Building Permit which has already been issued for that Assessor’s Parcel.
3. Divide the Maximum Special Tax computed pursuant to paragraph 2 by the total expected Maximum Special Tax revenue for CFD No. 2022-4 IA3 assuming all

Building Permits have been issued (build-out) within CFD No. 2022-4 IA3, excluding any Assessor's Parcels for which the Special Tax Obligation has been previously prepaid.

4. Multiply the quotient computed pursuant to paragraph 3 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid for all applicable parcels and round that amount up to the nearest \$5,000 increment (the "Bond Redemption Amount").

5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (expressed as a percentage), if any, on the Outstanding Bonds to be redeemed at the first available call date (the "Redemption Premium").

6. Compute the Future Facilities Costs.

7. Multiply the quotient computed pursuant to paragraph 3 by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Prepayment Amount").

8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the expected redemption date for the Outstanding Bonds which, depending on the Indenture, may be as early as the next interest payment date, but the redemption date may be any date determined by the CFD Administrator as convenient and appropriate and permitted by the Indenture and does not have to be the next interest payment date.

9. Compute the amount the CFD Administrator reasonably expects to derive from the reinvestment of the Prepayment Amount less the Future Facilities Prepayment Amount and the Prepayment Administrative Fees from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.

10. Subtract the amount computed in paragraph 9 from the amount computed in paragraph 8 (the "Defeasance Amount").

11. Calculate the administrative fees and expenses of CFD No. 2022-4 IA3, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming CFD No. 2022-4 IA3, and the costs of recording any notices to evidence the prepayment and the redemption (the "Prepayment Administrative Fees").

12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment calculation date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "Reserve Fund Credit"). No Reserve Fund Credit shall be granted if, after the Prepayment Amount is calculated, reserve funds are below 100% of the reserve requirement.

13. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to paragraph 3 by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the "Capitalized Interest Credit").

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

15. From the Prepayment Amount, the sum of the amounts computed pursuant to paragraphs 4, 5, and 10, less the amounts computed pursuant to paragraphs 12 and 13 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make Debt Service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Construction Fund. The amount computed pursuant to paragraph 11 shall be retained by CFD No. 2022-4.

The Prepayment Amount may be sufficient to redeem an amount other than a \$5,000 increment of CFD No. 2022-4 IA3 Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to redeem CFD No. 2022-4 IA3 Bonds to be used with the next prepayment of CFD No. 2022-4 IA3 Bonds.

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

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

B. Partial Prepayment

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

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

These terms have the following meaning:

PP = the partial prepayment
PE = the Prepayment Amount calculated according to Section 6.A
F = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax Obligation
A = the Prepayment Administrative Fees and Expenses from Section 6.A

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

With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section 6.A., and (ii) indicate in the records of CFD No. 2022-4 IA3 that there has been a partial prepayment of the Special Tax Obligation and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage $(1.00 - F)$ of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel.

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

7. TERM OF SPECIAL TAX

The Special Tax shall be levied as long as necessary to meet the Special Tax Requirement for a period not to exceed fifty (50) Fiscal Years commencing with Fiscal Year 2024-25, provided however that the Special Tax will cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined that all required interest and principal payments on CFD No. 2022-4 IA3 bonds have been paid.

8. EXEMPTIONS

The CFD Administrator shall classify as Exempt Property (i) Assessor's Parcels of Public Property, (ii) Assessor's Parcels of Property Owner Association Property, or (iii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Lower Income Households Welfare Exemption Property, and (vi) Assessor's Parcels of Developed Property classified as Non-Residential Property as determined reasonably by the CFD Administrator, provided that no such classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA3 to less than 18.40 Acres. Assessor's Parcels of Lower Income Households Welfare Exemption Property which cannot be classified as Exempt Property because such

classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA3 to less than 18.40 Acres shall be classified as Provisional Welfare Property and will continue to be subject to the CFD No. 2022-4 IA3 Special Taxes accordingly. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the sum of all Taxable Property in CFD No. 2022-4 IA3 to less than 18.40 Acres shall be classified as Provisional Property and will continue to be subject to the CFD No. 2022-4 IA3 Special Taxes accordingly. Tax exempt status for the purpose of this paragraph will be assigned by the CFD Administrator in the chronological order in which property becomes eligible for classification as Exempt Property.

If the use of an Assessor's Parcel of Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in the first paragraph of Section 8 above that would make such Assessor's Parcel eligible to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property.

9. APPEALS

Any landowner who pays the Special Tax and claims the amount of the Special Tax levied on his or her Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error not later than thirty-six (36) months after first having paid the first installment of the Special Tax that is disputed. If following such consultation the CFD Administrator determines that an error has occurred, then the CFD Administrator shall take any of the following actions, in order of priority, in order to correct the error:

- (i) Amend the Special Tax levy on the landowner's Assessor's Parcel(s) for the current Fiscal Year prior to the payment date,
- (ii) Require the CFD to reimburse the landowner for the amount of the overpayment to the extent of available CFD funds, or
- (iii) Grant a credit against, eliminate or reduce the future Special Taxes on the landowner's Assessor's Parcel(s) in the amount of the overpayment.

If following such consultation and action by the CFD Administrator the landowner believes such error still exists, such person may file a written notice of appeal with the City Council. Upon the receipt of such notice, the City Council or designee may establish such procedures as deemed necessary to undertake the review of any such appeal. If the City Council or designee determines an error still exists, the CFD Administrator shall take any of the actions described as (i), (ii) and (iii) above, in order of priority, in order to correct the error.

10. INTERPRETATIONS

The City Council or designee thereof shall interpret this Rate and Method of Apportionment of Special Tax for purposes of clarifying any ambiguities and make determinations relative to the administration of the Special Tax and any landowner appeals. The decision of the City Council or designee shall be final.

ATTACHMENT 4

Resolution to Incur Bonded Indebtedness

RESOLUTION NO. _____

RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF PERRIS TO INCUR BONDED INDEBTEDNESS IN THE AMOUNT NOT TO EXCEED \$14,000,000 WITHIN PROPOSED IMPROVEMENT AREA NO. 1, NOT TO EXCEED \$12,000,000 WITHIN PROPOSED IMPROVEMENT AREA NO. 2, AND NOT TO EXCEED \$8,000,000 WITHIN PROPOSED IMPROVEMENT AREA NO. 3 OF COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST) OF THE CITY OF PERRIS

WHEREAS, the City Council (the “Council”) of the City of Perris, California (the “City”) upon receipt of a petition (including consent and waiver) from PW Land Investments L.P., a Delaware limited partnership (the “Petition”) as provided in Section 53318 of the Government Code of the State of California instituted proceedings to form Community Facilities District No. 2022-4 (Park West) of the City of Perris (the “Community Facilities District No. 2022-4” or the “District”) and designate three improvement areas as “Improvement Area No. 1”, “Improvement Area No. 2”, and “Improvement Area No. 3” (each, an “Improvement Area”) pursuant to the Mello-Roos Community Facilities Act of 1982, commencing with Section 53311 of the Government Code of the State of California (the “Act”), as amended, and pursuant to a resolution adopted by the Council on the date hereof to finance (1) the purchase, construction, modification, expansion, improvement or rehabilitation of certain real or other tangible property described in Exhibit “A” hereto and incorporated herein by this reference, including all furnishings, equipment and supplies related thereto; (2) the payment of development and other fees and the acquisition or construction of public facilities (collectively, the “Facilities”), which Facilities have a useful life of five years or longer; and (3) the incidental expenses to be incurred in connection with financing the Facilities and forming and administering the District (the “Incidental Expenses”); and

WHEREAS, in order to finance the Facilities and Incidental Expenses, the Council intends to authorize the issuance of one or more series of bonds for the proposed District in the maximum aggregate principal amount of not to exceed \$14,000,000 within proposed Improvement Area No. 1, not to exceed \$12,000,000 within proposed Improvement Area No. 2, and not to exceed \$8,000,000 within proposed Improvement Area No. 3 of the District; and

WHEREAS, the repayment of the bonds of the District is to be secured by special taxes levied on taxable property in each Improvement Area in accordance with Section 53328 of the Act, and excluding those properties exempted from taxation in the rate and method of apportionment for Improvement Area No. 1, Improvement Area No. 2, and Improvement Area No. 3 set forth in Exhibit “C,” Exhibit “D,” and Exhibit “E,” respectively, to the Council’s Resolution of Intention to Establish Community Facilities District No. 2022-4 (Park West), Designate Improvement Areas therein and to Authorize the Levy of a Special Tax within each Improvement Area of the District, adopted on the date hereof.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris, as follows:

Section 1. Each of the above recitals is true and correct and is adopted by the Council and incorporated herein.

Section 2. It is necessary to incur bonded indebtedness within the proposed boundaries of proposed Community Facilities District No. 2022-4 in the principal amount not to exceed \$14,000,000 within proposed Improvement Area No. 1, not to exceed \$12,000,000 within proposed Improvement Area No. 2, and not to exceed \$8,000,000 within proposed Improvement Area No. 3 to finance the costs of the Facilities and Incidental Expenses, as permitted by the Act.

Section 3. The bonds for each proposed Improvement Area will be issued in one or more series for the purpose of financing the costs of the Facilities and the Incidental Expenses, including, but not limited to, the funding of reserve funds for the bonds, the financing of costs associated with the issuance of the bonds and all other costs and expenses necessary to finance the Facilities which are permitted to be financed pursuant to the Act.

Section 4. It is the intent of the Council to authorize the sale of bonds in one or more series for the District in the maximum aggregate principal amount of not to exceed \$14,000,000 within proposed Improvement Area No. 1, not to exceed \$12,000,000 within proposed Improvement Area No. 2, and not to exceed \$8,000,000 within proposed Improvement Area No. 3 of the District, and at a maximum interest rate not in excess of the maximum rate permitted by law at the time the bonds are issued. The term of the bonds shall be determined pursuant to a resolution of the Council acting in its capacity as the legislative body of the District authorizing the issuance of the bonds, but such term shall in no event exceed forty (40) years or such longer term as is then permitted by law.

Section 5. A public hearing (the "Hearing") on the proposed debt issue shall be held on January 9, 2023 at 6:30 p.m. or as soon thereafter as practicable, at the chambers of the City Council of the City of Perris, 101 North "D" Street, Perris, California 92570. Alternatively, the Hearing may be held by a remote online meeting as permitted by law.

Section 6. At the Hearing at the time and place set forth above, any interested persons, including all persons owning land or registered to vote within the proposed District, may appear and be heard.

Section 7. The City Clerk is hereby directed to publish a notice of the Hearing (the "Notice") pursuant to Section 6061 of the Government Code in a newspaper of general circulation circulated within the proposed District unless such notice is waived by the landowners. Such publication shall be completed at least seven (7) days prior to the date of the Hearing.

Section 8. This resolution of intention shall take effect upon its adoption.

ADOPTED, SIGNED and APPROVED this 14th day of November, 2023.

MAYOR OF THE CITY OF PERRIS

Attest:

CITY CLERK OF THE CITY OF PERRIS

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, DO HEREBY CERTIFY that the foregoing Resolution No. _____ was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the 14th day of November, 2023, and that it was so adopted by the following vote:

AYES:
NOES:
ABSENT:

By: _____
City Clerk

EXHIBIT A

TYPES OF FACILITIES TO BE FINANCED BY COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST)

The General Description of the Facilities that may be acquired or constructed is as follows:

- Street facilities, including, but not limited to, major arterials, highways, regional transportation facilities and streets, intersections, access ramps, roadways, sidewalk, curb, gutters, striping, lighting, traffic signalization, signage, landscaping of public streets and rights-of-way and appurtenant facilities;
- Storm control facilities, including, but not limited to, storm drains, channels, detention, headwalls, riprap pads, retention and/or catch basins and appurtenant facilities;
- Sewer improvements, sanitary sewers, including, but not limited to, lift stations, force mains, pump stations, transmission and main lines, valves, and appurtenant facilities;
- Domestic water facilities, including, but not limited to, reservoirs, pump stations, transmission lines, distribution facilities, main lines, valves, fire hydrants and appurtenant facilities;
- Park, recreational facilities, open space and appurtenant facilities;
- Impact and other City or public agency fees, including but not limited to, Transportation Uniform Mitigation Fees, Development Impact Fees, school fees, water fees, drainage fees, sewer treatment and connection fees, water supply fees, water meter fees, water connection fees, storm drain fees, capital facilities' fees and other city or public agency fees and all capital facilities which are part of these fee programs and capital improvement programs;
- Utility undergrounding and dry utilities;
- Incidental expenses;
- City facilities.

OTHER

The District may also finance any of the following:

1. Bond related expenses, including underwriters' discount, reserve fund, capitalized interest, financial advisor fees and expenses, bond and disclosure counsel, special tax consultant fees and expenses, dissemination agent fees and all other incidental expenses.

2. Administrative fees of the City and the Bond trustee or fiscal agent related to the District and the Bonds.

3. Reimbursement of costs related to the formation of the District advanced by the City or any related entity, or any landowner or developer within the District, as well as reimbursement of any costs advanced by the City or any related entity, or any landowner or developer within the District, for facilities or other purposes or costs of the District.

This description of the public capital facilities is general in nature. The final nature and location of improvements and facilities will be determined upon the preparation of final plans and specifications. The final plans and specifications may show substitutes in lieu of, or modifications to, proposed work. Any such substitution shall not be a change or modification in the proceedings as long as the facilities provide a service substantially similar to that as set forth in the Report.