RESOLUTION NUMBER 5779

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS APPROVING AND AUTHORIZING EXECUTION OF A FUNDING AGREEMENT AND A JOINT COMMUNITY FACILITIES AGREEMENT IN CONNECTION WITH THE FORMATION OF COMMUNITY FACILITIES DISTRICT 2021-1 (AVION POINTE/ACACIA) OF THE CITY OF PERRIS; AND MAKING FINDINGS AND DETERMINATIONS IN CONNECTION THEREWITH.

WHEREAS, the City of Perris (the "City") is taking proceedings 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") for the formation of Community Facilities District 2021-1 (Avion Pointe/Acacia) of the City of Perris ("District") and for the issuance of bonds by the District; and

WHEREAS, D.R. Horton Los Angeles Holding Company, Inc., a California corporation, is the owner of the entirety of the 22.7 gross acres of property within the District (the "Developer"); and

WHEREAS, pursuant to Section 53316.2 of the Act, a community facilities district is authorized to finance facilities to be owned or operated by an entity other than the agency that created the community facilities district pursuant to a joint community facilities agreement; and

WHEREAS, attached hereto as Exhibit "A" is the Joint Community Facilities Agreement (the "EMWD Agreement"), among the City, the Developer, and Eastern Municipal Water District ("EMWD"); and

WHEREAS, attached hereto as Exhibit "B" is the Funding Agreement (the "Funding Agreement") by and between the City and the Developer, relating to the authorized facilities and authorized fees to be funded by the City pursuant to the Act; and

WHEREAS, the Developer has approved the EMWD Agreement and the Funding Agreement; and

WHEREAS, the City has determined that it is necessary and desirable to enter into the EMWD Agreement and the Funding Agreement and that such agreements will be beneficial to the interests of the residents residing within the boundaries of the EMWD, the City and the District.

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

Section 1.	The al	ove	recitals	are all	true	and	correct.

Section 2. That said forms of EMWD Agreement and the Funding Agreement on file with the City Clerk be and are each hereby approved, with such changes as may be approved by the Mayor, City Manager, Assistant City Manager or Finance Director (each, an "Authorized Officer"), said Authorized Officer's execution thereof to constitute conclusive evidence of said Authorized Officer's approval of all such changes, and each of said Authorized Officers be and is hereby authorized, together or alone to execute and deliver said EMWD Agreement and said Funding Agreement. The City Clerk or a duly authorized Deputy or Assistant City Clerk is hereby authorized to attest to said Authorized Officer's signature.

ADOPTED, SIGNED and APPROVED this 30th day of March, 2021.

ATTEST:	Michael M. Vargas, Mayor
Nancy Salazar, City Clerk	
STATE OF CALIFORNIA) COUNTY OF RIVERSIDE) § CITY OF PERRIS)	
CERTIFY that the foregoing Resolution Number	TY OF PERRIS, CALIFORNIA, DO HEREBY ber 5779 was duly and regularly adopted by the neeting held the 30th day of March, 2021, by the
AYES: CORONA, RABB, ROGERS, MAGAÑ NOES: NONE ABSENT: NONE ABSTAIN: NONE	JA, VARGAS
	City Clerk, Nancy Salazar

EXHIBIT A

JOINT COMMUNITY FACILITIES AGREEMENT

[SEE ATTACHED]

EXHIBIT B

FUNDING AGREEMENT

[SEE ATTACHED]

JOINT COMMUNITY FACILITIES AGREEMENT

relating to

Community Facilities District No. 2021-1 of the City of Perris (Avion Pointe/Acacia)

by and among

City of Perris, Eastern Municipal Water District and D.R. Horton Los Angeles Holding Company, Inc.

THIS JOINT COMMUNITY FACILITIES AGREEMENT (the "Agreement") is entered into effective as of the _____ day of _____, 2021, by and among CITY OF PERRIS, a California general law city (the "City"), EASTERN MUNICIPAL WATER DISTRICT, a public agency organized and existing pursuant to Division 20 of the California Water Code ("EMWD"), and D.R. HORTON LOS ANGELES HOLDING COMPANY, INC., a California corporation ("Property Owner"), and relates to the community facilities district known as "Community Facilities District No. 2021-1 of the City of Perris (Avion Pointe/Acacia)" (the "CFD") for the purpose of financing certain facilities to be owned, operated or maintained by the City or EMWD from proceeds of bonds issued by the CFD and the proceeds of special taxes levied by the CFD.

$\underline{R} \underline{E} \underline{C} \underline{I} \underline{T} \underline{A} \underline{L} \underline{S}$:

- A. The property ("Property") described in Exhibit "A" hereto, which is located in the City, County of Riverside, State of California, constitutes the land within the boundaries of the CFD.
- B. Property Owner owns the Property included in the CFD. Property Owner intends to develop the Property for residential purposes. The Property is depicted in Exhibit "B" hereto.
- C. The City received a petition in accordance with the Act (defined below) to form the CFD for the purpose of financing, among other things, certain public facilities to be constructed and owned and operated by EMWD (the "EMWD Facilities") in lieu of the payment of EMWD Fees (defined herein) and certain water and sewer facilities to be constructed by Property Owner and acquired by EMWD (the "Acquisition Facilities").
- D. In conjunction with the issuance of permits for the construction of homes on the Property and/or receipt of water meters for such homes, the Property Owner, or its successors or assigns, may elect to advance EMWD Facilities costs in lieu of payment of EMWD Fees (the "Advances") before Bond Proceeds (defined herein) are available in sufficient amounts to pay for EMWD Facilities. In such case, the Property Owner shall be entitled to (i) reimbursement of such Advances limited to Bond Proceeds available to EMWD, if any (the Advances being considered an interest free loan by the Property Owner with no repayment obligation except to the extent there are Bond Proceeds received by or made available to EMWD as described herein, all as further described in Section 5(a) below), and (ii) credit against EMWD Fees which would otherwise be due to EMWD equal to the amount of Bond Proceeds disbursed to EMWD or at the direction of EMWD for EMWD Facilities, all as further described herein.
- E. The City will have sole discretion and responsibility for the formation and administration of the CFD.

- F. The City is authorized by Section 53313.5 of the Act to assist in the financing of the acquisition and/or construction of the EMWD Facilities and/or the Acquisition Facilities. This Agreement constitutes a joint community facilities agreement, within the meaning of Section 53316.2 of the Act, by and among EMWD, the Property Owner and the City, pursuant to which the CFD, when and if formed, will be authorized to finance the acquisition and/or construction of all or a portion of the EMWD Facilities and/or the Acquisition Facilities. As authorized by Section 53316.6 of the Act, responsibility for constructing, providing for and operating the EMWD Facilities and/or the Acquisition Facilities is delegated to EMWD.
- G. The Parties (defined below) hereto find and determine that the residents residing within the boundaries of EMWD, the City and the CFD will be benefited by the construction and/or acquisition of the EMWD Facilities and/or the Acquisition Facilities and that this Agreement is beneficial to the interests of such residents.

AGREEMENT

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

- **1. Recitals.** Each of the above recitals is incorporated herein and is true and correct.
- **2. Definitions**. Unless the context clearly otherwise requires, the terms defined in this Section shall, for all purposes of this Agreement, have the meanings herein specified.
- (a) "Acquisition Facility(ies)" means the sewer and water facilities described as such in Exhibit "C" hereto.
- (b) "Act" means the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code.
- (c) "Advance" or "Advances" means an amount advanced by Property Owner to EMWD for EMWD Facilities in lieu of payment of EMWD Fees prior to the availability of sufficient Bond Proceeds. Advances shall be deemed payment of EMWD Fees to the extent sufficient Bond Proceeds are not received by or made available to EMWD.
- (d) "Bond Proceeds" or "Proceeds of the Bonds" shall mean those net funds generated by the sale of the Bonds and investment earnings thereon, net of costs of issuance, reserve fund, capitalized interest and administrative expenses, and may include net funds generated by the levy of Special Taxes and investment earnings thereon. Such Bond Proceeds are only up the amount allocated by the CFD for EMWD Fees, EMWD Facilities or Acquisition Facilities.
- (e) "Bond Resolution" means that Resolution, Resolution Supplement, Fiscal Agent Agreement, Indenture of Trust or other equivalent document(s) providing for the issuance of the Bonds.
- (f) "Bonds" shall mean those bonds, or other securities, issued by, or on behalf of the CFD, in one or more series, as authorized by the qualified electors within the CFD.

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- (g) "Disbursement Request" means a request for payment relating to EMWD Facilities in the form attached hereto as Exhibit "D."
- (h) "EMWD Engineer Representative" means an EMWD engineer duly authorized to act on behalf of EMWD or his or her designee.
- (i) "EMWD Fees" means water supply development fees, water backup fees, water financial participation fees, water meter fees, sewer financial participation fees, sewer backup fees, sewer treatment capacity charges and all components thereof imposed by EMWD upon the Property to finance EMWD Facilities.
- (j) "EMWD Facilities" means those sewer and water facilities listed on Exhibit "C" hereto, which are necessary for the provision of water and sewer services to the Property and paid for with Bond Proceeds in lieu of the payment of EMWD Fees. All EMWD Facilities are public facilities.
- (k) "Other Facilities Account of the Improvement Fund" means the fund, account or subaccount of the CFD (regardless of its designation within the Bond Resolution) into which a portion of the Bond Proceeds may be deposited in accordance with the Bond Resolution to finance EMWD Facilities and/or the Acquisition Facilities and which may have subaccounts.
- (l) "Party" or "Parties" shall mean any one or all of the parties to this Agreement.
- (m) "Payment Request" means a request for payment relating to Acquisition Facilities in the form attached hereto as Exhibit "E".
- (n) "Rate and Method" means the Rate and Method of Apportionment of the Special Tax authorizing the levy and collection of Special Taxes pursuant to proceedings undertaken for the formation of the CFD pursuant to the Act.
- (o) "Special Taxes" means the special taxes authorized to be levied and collected within the CFD pursuant to the Rate and Method.
 - (p) "State" means the State of California.
- **3. Formation of the CFD**. The City has undertaken to analyze the appropriateness of forming the CFD to finance the EMWD Facilities, Acquisition Facilities, and other facilities. The City has and will retain, at the expense of the Property Owner, the necessary consultants to analyze the formation of the CFD.
- 4. Sale of Bonds and Use of Bond Proceeds. In the event that the CFD is formed and Bonds are issued, the City and the Property Owner shall determine the amount of Bond Proceeds to be deposited in the Other Facilities Account of the Improvement Fund and each subaccount thereof. As Bond Proceeds are transferred to EMWD and reserved to fund EMWD Facilities, as described in Section 5 below, the Property Owner shall receive a credit in the amount transferred against the payment of EMWD Fees with respect to the Property. Nothing herein shall supersede the obligation of an owner of the Property to make an Advance or pay EMWD Fees to EMWD when due. The purpose of this Agreement is to provide a mechanism by which the CFD may issue the Bonds and levy Special Taxes to provide a source of funds to finance EMWD Facilities in lieu of the payment of

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EMWD Fees and or Acquisition Facilities. In the event that Bond Proceeds, including investment earnings thereon, are not available or sufficient to satisfy the obligation, then the Property Owner shall remain obligated to make an Advance for which it will receive no reimbursement (except to the extent Bond Proceeds later become available to EMWD), or pay EMWD Fees to EMWD as a condition of receiving water and sewer service to the Property.

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

If and when the CFD determines to issue Bonds, the CFD shall take such actions necessary in its reasonable discretion to ensure the total effective tax rate is within the City's policies and does not exceed two percent (2%) at the time of Bond sale. The total effective tax rate shall be based on a method of determination of property values reasonably acceptable to the City. The CFD shall not include EMWD's name on property owners' special tax bills within the CFD.

By entering into this Agreement and requisitioning Bond Proceeds as described herein, EMWD is not passing upon, determining or assuming the tax-exempt status of the Bonds for federal or California state income tax purposes.

5. Disbursements for EMWD Facilities.

Upon the funding of the Other Facilities Account of the Improvement Fund (a) with funds reserved to fund EMWD Facilities, the Property Owner shall notify EMWD of the amount of Bond Proceeds reserved to fund EMWD Facilities and the Property Owner and EMWD may execute and submit a Disbursement Request for payment to the City or the CFD requesting disbursement of an amount equal to all or a portion of Advances from the Other Facilities Account of the Improvement Fund to the extent that Bond Proceeds are available in the Other Facilities Account of the Improvement Fund for such purpose. Upon EMWD's receipt of funds pursuant to such Disbursement Request, the Property Owner shall receive reimbursement of the Advances from EMWD. To facilitate EMWD's bookkeeping, EMWD may direct in a Disbursement Request, that all or a portion of a payment be made directly from the Other Facilities Account to the Property Owner as reimbursement for Advances made by the Property Owner. In the event of a reimbursement to the Property Owner pursuant to the preceding sentence, EMWD shall account for an equivalent amount of Advances previously received from the Property Owner in accordance with Section 5(c) below.

To the extent that EMWD expends all or a portion of an Advance pending the deposit of Bond Proceeds in the Other Facilities Account of the Improvement Fund, for purposes of Treasury Regulations regarding investment and expenditure of Bond Proceeds and State law provisions regarding financing of public capital facilities, the Advance shall be a considered an interest free loan by the Property Owner, which EMWD only agrees to repay to the extent of the deposit, if any, of Bond Proceeds in the Other Facilities Account of the Improvement Fund and EMWD's written direction as described below to pay all or a portion of such deposit to the Property Owner as repayment of an Advance.

- (b) From time to time following the funding of the Other Facilities Account of the Improvement Fund, the Property Owner may notify EMWD in writing and the Property Owner and EMWD may jointly request a disbursement from the Other Facilities Account of the Improvement Fund to fund EMWD Facilities by executing and submitting a Disbursement Request. Upon receipt of such Disbursement Request completed in accordance with the terms of this Agreement, the CFD shall wire transfer or otherwise pay to EMWD (or upon EMWD's written direction pay to the Property Owner or an EMWD contractor) such requested funds to the extent that Bond Proceeds are available in the Other Facilities Account of the Improvement Fund for such purpose. Upon such notice and EMWD's receipt of such disbursement (or upon payment to the Property Owner or an EMWD contractor in accordance with directions from EMWD relating to EMWD Facilities), the Property Owner shall be deemed to have satisfied the applicable EMWD Fees with respect to the number of dwelling units or lots for which the EMWD Fees would otherwise have been required in an amount equal to such disbursement.
- payment from the CFD it shall review and approve all costs included in its request and will have already paid or incurred such costs of EMWD Facilities from its own funds (which may include Advances from the Property Owner) subsequent to the date of this Agreement, or will disburse such amounts to pay the costs of EMWD Facilities following receipt of funds from the CFD. In the event that EMWD does not disburse any Bond Proceeds (or equivalent amount of Advances repaid pursuant to the second to the last sentence of the first paragraph of Section 5(a) above) received by it to third parties within five banking days of receipt, it will trace and report to the CFD all earnings, if any, earned by EMWD, from the date of receipt of such Bond Proceeds by EMWD (or the date of disbursement pursuant to the second to the last sentence of the first paragraph of Section 5(a) above) to the date of expenditure by EMWD for capital costs of the EMWD Facilities. Such report shall be delivered at least semiannually until all Bond Proceeds are expended by EMWD. EMWD agrees that in processing the above disbursements it will comply with all legal requirements for the expenditure of Bond Proceeds under the Internal Revenue Code of 1986 and any amendments thereto.
- (d) EMWD agrees to maintain adequate internal controls over its payment function and to maintain accounting records in accordance with generally accepted accounting procedures. EMWD will, upon request, provide the City and/or the Property Owner with access to EMWD's records related to the EMWD Facilities and expenditure of Advances and will provide to the City its annual financial report certified by an independent certified public accountant for purposes of assisting the City in calculating the arbitrage rebate obligation of the CFD, if any.
- (e) The City or the CFD agrees to maintain full and accurate records of all amounts, and investment earnings, if any, expended from the Other Facilities Account of the Improvement Fund and expenditure of Advances. The City or the CFD will, upon request, provide EMWD and/or Property Owner with access to the City's or the CFD's records related to the Other Facilities Account of the Improvement Fund.
- (f) The City acknowledges that it is in receipt of and has reviewed the EMWD Comprehensive Debt Policy ("Debt Policy"). At the time of formation of the CFD, the City and the CFD are in conformance with Section 3.1 of the Debt Policy and it is expected that the City and CFD will remain in conformance with Section 3.1 at the time of any Bond sale. However, City and EMWD acknowledge that the City has the ultimate responsibility for issuance of the Bonds, the administration of the CFD, and the tax-exempt status of any Bonds issued by the CFD. Accordingly,

the City Council shall have ultimate responsibility for making all decisions with respect to the issuance of any CFD Bonds and the levy of CFD Special Taxes.

- **6. Ownership of EMWD Facilities and Acquisition Facilities**. The EMWD Facilities and Acquisition Facilities shall be and remain the property of EMWD.
- **7. Acquisition Facilities**. The requirements of this Section 7 shall apply to any Acquisition Facility for which a Payment Request is submitted to EMWD pursuant to this Section 7.
- (a) <u>Design Plans and Specifications</u>. All plans, specifications and bid documents for the Acquisition Facility ("Plans") constructed or to be constructed by the Property Owner shall be prepared by the Property Owner at the Property Owner's initial expense, subject to approval by EMWD. Costs for preparation of the Plans shall be included in the acquisition price. Reimbursement of costs for plan revisions will be considered on a case by case basis. The Property Owner shall not award bids for construction, or commence or cause commencement of construction, of the Acquisition Facility until the Plans and bidding documents have been approved by EMWD. The bid opening for the Acquisition Facility shall be coordinated with and take place at EMWD's offices, with EMWD personnel in attendance.
- (b) <u>Construction of Acquisition Facilities</u>. A qualified engineering firm (the "Field Engineer") shall be employed by the Property Owner to provide all field engineering surveys determined to be necessary by the EMWD's inspection personnel. Field Engineer shall promptly furnish to EMWD a complete set of grade sheets listing all locations, offsets, etc., in accordance with good engineering practices, and attendant data and reports resulting from Field Engineer's engineering surveys and/or proposed facility design changes. EMWD shall have the right, but not the obligation, to review, evaluate and analyze whether such results comply with applicable specifications.

A full-time soil testing firm, approved by EMWD, shall be employed by the Property Owner to conduct soil compaction testing and certification. The Property Owner shall promptly furnish results of all such compaction testing to EMWD for its review, evaluation and decision as to compliance with applicable specifications. In the event the compaction is not in compliance with applicable specifications, the Property Owner shall be fully liable and responsible for the costs of achieving compliance. A final report certifying all required compaction in accordance with the specifications shall be a condition of final acceptance of the Acquisition Facility.

The costs of all surveying, testing and reports associated with the Acquisition Facility furnished and constructed by the Property Owner's contractor(s) shall be included in the acquisition price.

EMWD shall not be responsible for conducting any environmental, archaeological, biological, or cultural studies or any mitigation requirements that may be requested by appropriate Federal, State, and/or local agencies with respect to the Acquisition Facility. Any such work shall be paid for and conducted by the Property Owner and included in the acquisition price of the Acquisition Facility.

(c) <u>EMWD Public Works Requirements</u>. In order that the Acquisition Facility may be properly and readily acquired by EMWD, the Property Owner shall comply with all of the following requirements with respect to the Acquisition Facility, and the Property Owner shall

provide such proof to the EMWD as EMWD may reasonably require and at such intervals and in such form as EMWD may reasonably require, that the following requirements have been satisfied as to the Acquisition Facility:

- (i) The Property Owner shall prepare a bid package for review, comment and approval by the General Manager of EMWD or his designee (the "EMWD Representative").
- (ii) The Property Owner shall, after obtaining at least three sealed bids for the construction of the Acquisition Facility in conformance with the procedures and requirements of EMWD, submit to EMWD written evidence of such competitive bidding procedure, including evidence of the means by which bids were solicited, a listing of all responsive bids and their amounts, and the name or names of the contractor or contractors to whom the Property Owner proposes to award the contracts for such construction, which shall be the lowest responsible bidder.
- (iii) The EMWD Representative shall attend the bid opening. If unable to attend the bid opening, the EMWD Representative shall approve or disapprove of a contractor or contractors, in writing, within five (5) business days after receipt from the Property Owner of the name or names of such contractor or contractors recommended by the Property Owner. If the EMWD Representative disapproves of any such contractor; the Property Owner shall select the next lowest responsible bidder from the competitive bids received who is acceptable to the EMWD Representative.
- (iv) The specifications and bid and contract documents shall require all such contractors to pay prevailing wages and to otherwise comply with applicable provisions of the Labor Code, the Government Code and the Public Contract Code relating to public works projects and as required by the procedures and standards of EMWD with respect to the construction of its public works projects.
- (v) The Property Owner shall submit faithful performance and payment bonds conforming in all respects to the requirements set forth in EMWD's "Standard Water and/or Sewer Facilities and Service Agreement." The following documents shall be submitted to EMWD along with the performance and payment bonds:
- (1) The original, or a certified copy, of the unrevoked appointment, power of attorney, bylaws, or other instrument entitling or authorizing the person who executed the bond to do so;
- (2) A certified copy of the certificate of authority of the insurer issued by the State of California's Insurance Commissioner; and
- (3) Copies of the insurer's most recent annual and quarterly statements filed with the Department of Insurance.
- (vi) The Property Owner and its contractor and subcontractors shall be required to provide proof of insurance coverage throughout the term of the construction of the Acquisition Facility, which they will construct in conformance with EMWD's standard procedures and requirements. EMWD's insurance requirements are set out in Section 7(n) herein.

- (vii) The Property Owner and all such contractors shall comply with such other requirements relating to the construction of the Acquisition Facility which EMWD may impose by written notification delivered to the Property Owner and each such contractor at the time either prior to the receipt of bids by the Property Owner for the construction of such Acquisition Facility or, to the extent required as a result of changes in applicable laws, during the progress of construction thereof. In accordance with Section 7(f), the Property Owner shall be deemed the awarding body and shall be solely responsible for compliance and enforcement of the provisions of the Labor Code, Government Code, and Public Contract Code.
- (viii) A "Change Order" is an order from the Property Owner to a contractor authorizing a change in the work to be performed. The Property Owner shall receive comments from the EMWD Representative prior to the Property Owner's approval of any Change Order. The EMWD Representative shall comment on or deny the Change Order request within five (5) business days of receipt of all necessary information. EMWD's comments to a Change Order shall not be unreasonably delayed, conditioned or withheld. The Property Owner shall not be entitled to include in the acquisition price costs associated with a Change Order that have not been approved by the EMWD Representative.
- (d) <u>Inspection; Completion of Construction</u>. EMWD shall have primary responsibility for inspecting the Acquisition Facility to assure that the work is being accomplished in accordance with the Plans. Such inspection does not include inspection for compliance with safety requirements by the Property Owner's contractor(s). EMWD's personnel shall be granted access to each construction site at all reasonable times for the purpose of accomplishing such inspection. Upon satisfaction of EMWD's inspectors, the Property Owner shall notify EMWD in writing that an Acquisition Facility has been completed in accordance with the Plans.

Within three (3) business days of receipt of written notification from EMWD inspectors that an Acquisition Facility has been completed in accordance with the Plans, the EMWD Representative shall notify the Property Owner in writing that such Acquisition Facility has been satisfactorily completed. Upon receiving such notification, the Property Owner shall file a Notice of Completion with the County of Riverside Recorder's Office, pursuant to the provisions of Section 8182 of the Civil Code. The Property Owner shall furnish to EMWD a duplicate copy of each such Notice of Completion showing thereon the date of filing with the County of Riverside (the "County"). EMWD will in turn file a notice with the County for acceptance.

- (e) <u>Liens</u>. With respect to the Acquisition Facility, upon the earlier of (i) receipt of all applicable lien releases, or (ii) expiration of the time for the recording of claim of liens as prescribed by Sections 8412 and 8414 of the Civil Code, the Property Owner shall provide to EMWD such evidence or proof as EMWD shall require that all persons, firms and corporations supplying work, labor, materials, supplies and equipment for the construction of the Acquisition Facility have been paid, and that no claims of liens have been recorded by or on behalf of any such person, firm or corporation.
- (f) <u>Acquisition; Acquisition Price; Source of Funds</u>. The costs eligible to be included in the acquisition price of the Acquisition Facility (the "Actual Costs") shall include:
- (i) The actual hard costs for the construction of such Acquisition Facility as established by EMWD-approved construction contracts and approved Change Orders, including

costs of payment, performance and maintenance bonds and insurance costs, pursuant to this Agreement;

- (ii) The design and engineering costs of such Acquisition Facility including, without limitation, the costs incurred in preparing the Plans. Costs for plan revisions will be considered on a case by case basis;
- (iii) The costs of environmental evaluations and public agency permits and approvals attributable to the Acquisition Facility;
- (iv) Costs incurred by the Property Owner for construction management and supervision of such Acquisition Facility, not to exceed five percent (5%) of the actual construction cost, subject to prior approval by EMWD of any construction management or supervision contract with respect to the Acquisition Facility;
- (v) Professional costs associated with the Acquisition Facility such as engineering, inspection, construction staking, materials, testing and similar professional services; and
- (vi) Costs approved by EMWD of acquiring from an unrelated third party any real property or interests therein required for the Acquisition Facility including, without limitation, temporary construction easements, temporary by-pass road and maintenance easements.

Provided the Property Owner has complied with the requirements of this Agreement, EMWD agrees to execute and submit to the City a Payment Request for payment of the acquisition price of the completed Acquisition Facility to the Property Owner or its designee within thirty (30) days after the Property Owner's satisfaction of the preconditions to such payment stated herein.

As a condition to EMWD's execution of the Payment Request for the acquisition price, the property ownership of the completed Acquisition Facility shall be transferred to EMWD by grant deed, bill of sale or such other documentation as EMWD may require free and clear of all taxes, liens, encumbrances, and assessments, but subject to any exceptions determined by EMWD to not interfere with the actual or intended use of the land or interest therein (including the lien of a community facilities district so long as the subject property is exempt from taxation or is otherwise not taxable by such community facilities district). Upon the transfer of property ownership of the Acquisition Facility or any portion thereof to EMWD, EMWD shall be responsible for the maintenance of such Acquisition Facility or the portion transferred. Notwithstanding the foregoing, the acquisition price of an Acquisition Facility may be paid prior to transfer of property ownership and acceptance of the Acquisition Facility if it is substantially completed at the time of payment. The Acquisition Facility shall be considered "substantially complete" when it has been reasonably determined by EMWD to be usable, subject to final completion of such items as the final lift or any other items not essential to the primary use or operation of the Acquisition Facility.

For purposes of determining the acquisition price to be paid by the CFD for the acquisition of each Acquisition Facility by EMWD, the value of such Acquisition Facility shall include the construction costs specified in EMWD-approved contracts and EMWD-approved change orders conforming to this Section 7, as hereinbefore specified. EMWD approval is a condition prior to initiation of contract work. However, if EMWD reasonably determines that the additional Actual Costs are excessive and that the value of the Acquisition Facility is less than the total amount of such Actual Costs and such construction costs, the price to be paid for the acquisition of the Acquisition

Facility shall be the value thereof as determined by the EMWD Engineer Representative, subject, however, to the Property Owner's right to appeal to EMWD's Board of Directors.

Upon completion of the construction of an Acquisition Facility, the Property Owner shall deliver or cause to be delivered to EMWD a Payment Request in substantially the form of Exhibit "E," attached hereto, copies of the contract(s) with the contractor(s) who have constructed the Acquisition Facility and other relevant documentation with regard to the payments made to such contractor(s) and each of them for the construction of the Acquisition Facility, documentation evidencing payment of prevailing wages, and shall also provide to EMWD invoices and purchase orders with respect to all equipment, materials and labor purchased for the construction of the Acquisition Facility. EMWD shall require the EMWD Engineer Representative to complete its determination of the acquisition price of the Acquisition Facility as promptly as is reasonably possible.

Notwithstanding the preceding provisions of this Section, the source of funds for the acquisition of the Acquisition Facility or any portion thereof shall be funds on deposit in the Other Facilities Account of the Improvement Fund. If no such funds are available, EMWD shall not be required to acquire the Acquisition Facility from the Property Owner. In such event, the Property Owner shall complete the design and construction and offer to EMWD property ownership of such portions of the Acquisition Facility as are required to be constructed by the Property Owner as a condition to recordation of subdivision maps for the Property, but need not construct any portion of the Acquisition Facility which it is not so required to construct. Reimbursement for these facilities would be made pursuant to the "Standard Water and/or Sewer Facilities and Service Agreement(s)" by and between EMWD and the Property Owner.

- (g) <u>Easements and/or Fee Title Property Ownership Deeds</u>. The Property Owner shall, at the time EMWD acquires the Acquisition Facility as provided in Section 7(f) hereof, grant or cause to be granted to EMWD, by appropriate instruments prescribed by EMWD, all easements across private property and/or fee title property ownership deeds which may be reasonably necessary for the proper operation and maintenance of such Acquisition Facility, or any part thereof.
- (h) <u>Permits</u>. The Property Owner shall be responsible for obtaining all necessary construction permits from the City covering construction and installation of the Acquisition Facility. EMWD will request the City to issue an "operate and maintain permit" to EMWD, which will become effective upon the completion of the Acquisition Facility and acceptance of property ownership therewith by EMWD.
- (i) <u>Maintenance</u>. Prior to the transfer of property ownership of an Acquisition Facility by the Property Owner to EMWD, as provided in Section 7(f) hereof, the Property Owner shall be responsible for the maintenance thereof and shall require its contractor(s) to repair all facilities damaged by any party, prior to acceptance by EMWD and/or make corrections determined to be necessary by EMWD's inspection personnel.
- (j) <u>Inspection of Records</u>. EMWD shall have the right to review all books and records of the Property Owner pertaining to the costs and expenses incurred by the Property Owner for the design and construction of the Acquisition Facility during normal business hours by making arrangements with the Property Owner. The Property Owner shall have the right to review all books and records of EMWD pertaining to costs and expenses incurred by EMWD for services of the EMWD Engineer Representative by making arrangements with EMWD.

- (k) <u>Property Ownership of Improvements</u>. Notwithstanding the fact that some or all of the Acquisition Facility may be constructed in dedicated street rights-of-way or on property which has been or will be dedicated to EMWD, each Acquisition Facility shall be and remain the property of the Property Owner until acquired by EMWD as provided in this Agreement.
- (1) <u>Materials and Workmanship Warranty</u>. Upon the completion of the acquisition of an Acquisition Facility by EMWD, the performance bond related to such individual Acquisition Facility provided by the Property Owner pursuant to Section 7(c)(v) hereof, shall be reduced by 90%, and the remaining 10% shall serve as a maintenance bond to guarantee that such Acquisition Facility will be free from defects due to faulty workmanship or materials for a period of one year. Release of performance and payment bonds is addressed in the Standard Water and/or Sewer Facilities and Service Agreement, by and between EMWD and the Property Owner.
- (m) <u>Independent Contractor</u>. In performing this Agreement with respect to the Acquisition Facilities, the Property Owner is an independent contractor and not the agent of EMWD. EMWD shall not have any responsibility for payment to any contractor, subcontractor or supplier of the Property Owner. It is not intended by the Parties that this Agreement create a partnership or joint venture among them and this Agreement shall not otherwise be construed.
- (n) <u>Insurance Requirements</u>. Neither the Property Owner nor its contractor shall commence work on an Acquisition Facility under this Agreement prior to obtaining all insurance required hereunder with a company or companies acceptable to EMWD, nor shall the Property Owner's contractor allow any subcontractor to commence work on its subcontract until all insurance required of the subcontractor has been obtained.

The Property Owner shall, during the life of this Agreement, notify EMWD in writing of any incident giving rise to any potential bodily injury or property damage claim and any resultant settlements, whether in conjunction with this or any other project which may affect the limits of the required coverage, as soon as is reasonable and practical.

Both the Property Owner and its contractor shall conform in every respect to the requirements set forth in the Standard Water and/or Sewer Facilities and Service Agreement, by and between EMWD and the Property Owner.

8. Indemnification.

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

provided, however, that Property Owner shall not be required to indemnify any person or entity as to damages resulting from negligence or willful misconduct of such person or entity or their officers, agents or employees.

- (c) <u>Indemnification by EMWD</u>. EMWD shall assume the defense of, indemnify and save harmless, the City, the CFD and their respective officers, employees and agents, and each and every one of them, from and against all actions, damages, claims, losses or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of EMWD with respect to this Agreement, and the design, engineering and construction of the EMWD Facilities and the Acquisition Facilities constructed by EMWD; provided, however, that EMWD shall not be required to indemnify any person or entity as to damages resulting from negligence or willful misconduct of such person or entity or their officers, agents or employees.
- **9. Allocation of Special Taxes**. The entire amount of any Special Taxes levied by the CFD to repay Bonds, or to fund other obligations, shall be allocated to the CFD.
- 10. Amendment and Assignment. This Agreement may be amended at any time but only in writing signed by each Party hereto. This Agreement may be assigned, in whole or in part, by the Property Owner to the purchaser of any parcel of land within the Property, provided, however, such assignment shall not be effective unless and until EMWD and the City have been notified, in writing, of such assignment and the assignment specifies whether the Property Owner or such assignee is authorized to execute disbursement requests.
- 11. Entire Agreement. This Agreement contains the entire agreement between the Parties with respect to the matters provided for herein and supersedes all prior agreements and negotiations between the Parties with respect to the subject matter of this Agreement.
- 12. Notices. Any notice, payment, instrument, statement, demand, consent, approval, authorization, offer, designation, request or other communication required or permitted by this Agreement to be given or delivered to any other Party shall be deemed delivered to the other Party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by electronic communication, whether by telex, email, telegram or telecopier upon the sender's receipt of an appropriate answer back or other written acknowledgement from the addressee of successful transmission which is not an automated reply or acknowledgment, (c) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail, (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier, or (e) if given by any other means, upon delivery at the address specified as follows:

City: City of Perris

101 N. D Street Perris, CA 92570 Attention: Director of Finance

Phone: (951) 943-4610

Email: ereyna@cityofperris.org

EMWD: Eastern Municipal Water District

P.O. Box 8300 2270 Trumble Road Perris, CA 92572-8300

Attention: Special Funding Division Email: specialfundingdivision@emwd.org

Property Owner: D.R. Horton, *America's Builder*.

2280 Wardlow Circle, Suite 100

Corona, CA 92880

Attention: Barbara M. Murakami Email: bmmurakami@drhorton.com

Each Party may change its address for delivery of notice by delivering written notice of such change of address to the other Parties hereto.

- 13. Exhibits. All exhibits attached hereto are incorporated into this Agreement by reference.
- 14. Attorney's Fees. In the event of the bringing of any action or suit by any Party against any other Party arising out of this Agreement, the Party in whose favor final judgment shall be entered shall be entitled to recover from the losing Party all costs and expenses of suit, including reasonable attorney's fees.
- 15. Interpretation in the event of Ambiguities or Disputes. The Parties acknowledge and agree that each has been given the opportunity to review this Agreement with legal counsel independently, and/or has the requisite experience and sophistication to understand, interpret, and agree to the particular language of the provisions hereof. In the event of an ambiguity in or dispute regarding the interpretation of same, the interpretation of this Agreement shall not be resolved by any rule of interpretation providing for interpretation against the Party who causes the uncertainty to exist or against the drafter.
- **16. Severability**. If any part of this Agreement is held to be illegal or unenforceable by court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.
- 17. Governing Law. This Agreement and any dispute arising hereunder shall be governed by interpreted in accordance with the laws of the State of California.
- 18. Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by any other Party hereto, or the failure by a Party to exercise its rights upon the default of any other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the terms of this Agreement thereafter.
- 19. No Third Party Beneficiaries. No person or entity other than the CFD, when and if formed, shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than EMWD, the City, the CFD and Property Owner (and their respective successors and assigns, exclusive of individual homebuyers), any rights, remedies, obligations or liabilities under or by reason of this Agreement.
- **20. Singular and Plural; Gender**. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

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

[Remainder of page intentionally left blank]

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

CITY OF PERRIS

	Director of Finance	
ATTEST:		
By:		
APPROVED AS TO FORM:		
CITY ATTORNEY OF THE CITY OF PERRIS		
By:		

[SIGNATURES CONTINUED ON NEXT PAGE.]

EASTERN MUNICIPAL WATER DISTRICT

	Paul D. Jones II, General Manager
ATTEST:	
By:Sheila Zelaya, Board Secretary	_
	PROPERTY OWNER
	D.R. HORTON LOS ANGELES HOLDING COMPANY, INC., a California corporation
	By: Barbara M. Murakami, Vice President

EXHIBIT "A"

COMMUNITY FACILITIES DISTRICT NO. 2021-1 OF THE CITY OF PERRIS (AVION POINTE/ACACIA)

DESCRIPTION OF PROPERTY

All that certain real property situated in the City of Perris, County of Riverside, State of California, described as follows:

Phase 1 Property (Alder):

<u>PARCEL A</u>: (APN: 311-470-001 THROUGH 311-470-008; 311-470-023; 311-470-024; 311-471-001 THROUGH 311-471-012; 311-472-001 THROUGH 311-472-005; 311-472-010 THROUGH 311-472-021

LOTS 1 THROUGH 8, INCLUSIVE, 17 THROUGH 28, INCLUSIVE, 35, 36, 41 THROUGH 45, INCLUSIVE AND 50 THROUGH 61, INCLUSIVE OF TRACT NO. 31650, IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 407, PAGES 21 THROUGH 24, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL B: (APN: 311-340-012 THROUGH 311-340-026)

LOTS 1 THROUGH 15, INCLUSIVE, OF TRACT NO. 32406, IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 414, PAGES 40 AND 41 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Phase 2 Property (Acacia):

LOTS 1 TO 57, INCLUSIVE, OF TRACT NO. 31651, IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 419 PAGES 12 THROUGH 14 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 311-161-001 THROUGH 311-161-035 AND 311-162-001 THROUGH 311-162-022

EXHIBIT "B"

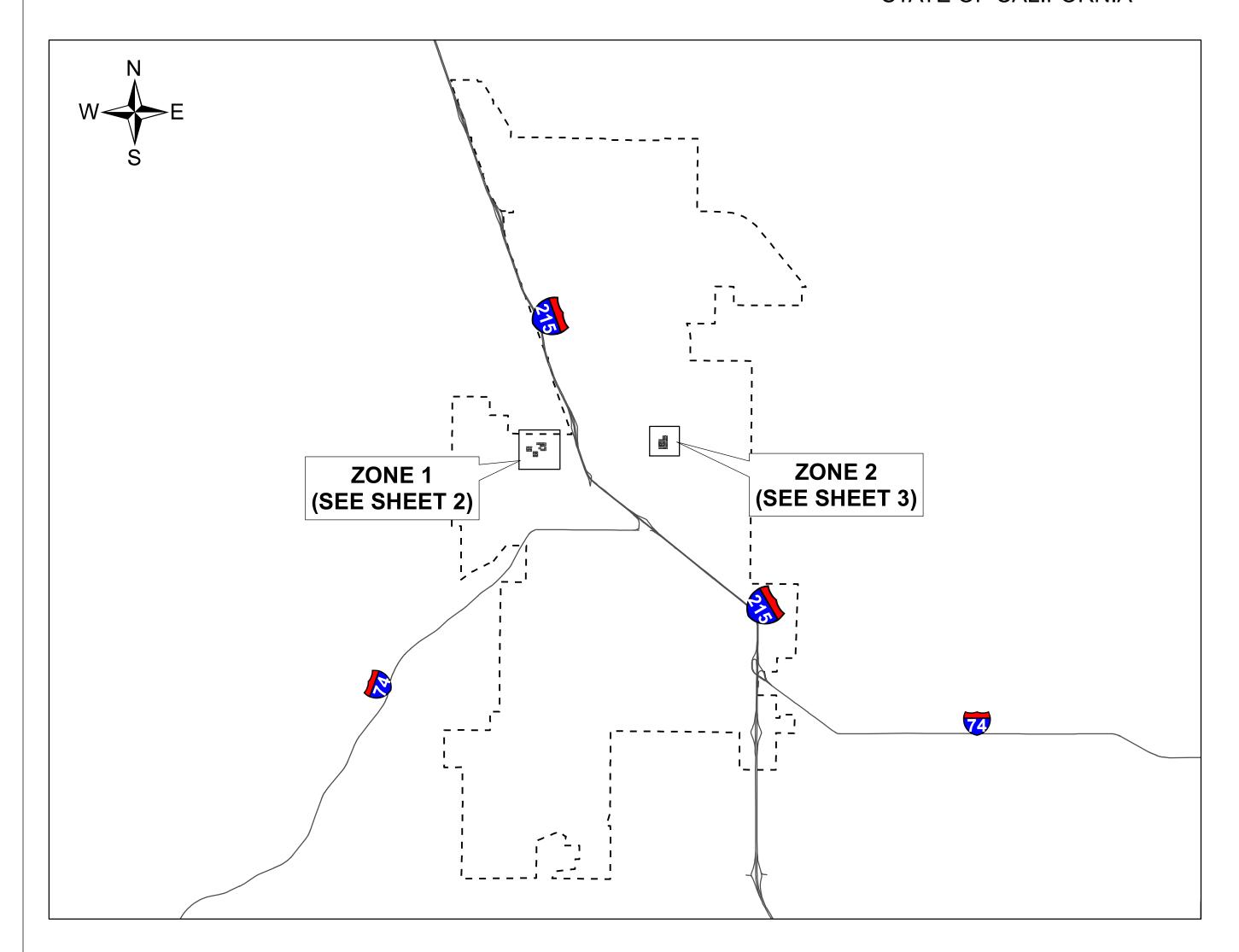
COMMUNITY FACILITIES DISTRICT NO. 2021-1 OF THE CITY OF PERRIS (AVION POINTE/ACACIA)

DEPICTION OF PROPERTY

01006.0829/690997.2 B-1

MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2021-1 (AVION POINTE/ACACIA)

CITY OF PERRIS
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA



DAY OF FILED IN THE OFFICE OF THE CITY CLERK THIS _ I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2021-1 (AVION POINTE/ACACIA), 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 $_$, 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 COUNTY RECORDER **COUNTY OF RIVERSIDE**

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE RIVERSIDE COUNTY ASSESSOR'S

THE RIVERSIDE COUNTY ASSESSOR'S MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

STATE OF CALIFORNIA

MAPS FOR THOSE PARCELS LISTED.

Legend

City of Perris Boundary

— Highways



MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2021-1 (AVION POINTE/ACACIA)

CITY OF PERRIS
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

ZONE 1



MAP REFERENCE	ASSESSOR'S
NUMBER	PARCEL NUMBER
1	311-340-012
2	311-340-013
3	311-340-014
4	311-340-015
5	311-340-016
6	311-340-017
7	311-340-018
8	311-340-019
9	311-340-020
10	311-340-021
11	311-340-022
12	311-340-023
13	311-340-024
14	311-340-025
15	311-340-026
16	311-470-001
17	311-470-002
18	311-470-003

MAP REFERENCE	ASSESSOR'S	MAP REFERENCE	ASSESSOR'S
NUMBER	PARCEL NUMBER	NUMBER	PARCEL NUMBER
19	311-470-004	37	311-471-012
20	311-470-005	38	311-472-001
21	311-470-006	39	311-472-002
22	311-470-007	40	311-472-003
23	311-470-008	41	311-472-004
24	311-470-023	42	311-472-005
25	311-470-024	43	311-472-010
26	311-471-001	44	311-472-011
27	311-471-002	45	311-472-012
28	311-471-003	46	311-472-013
29	311-471-004	47	311-472-014
30	311-471-005	48	311-472-015
31	311-471-006	49	311-472-016
32	311-471-007	50	311-472-017
33	311-471-008	51	311-472-018
34	311-471-009	52	311-472-019
35	311-471-010	53	311-472-020
36	311-471-011	54	311-472-021

Legend

Zone 1 Boundary

Map Reference Number

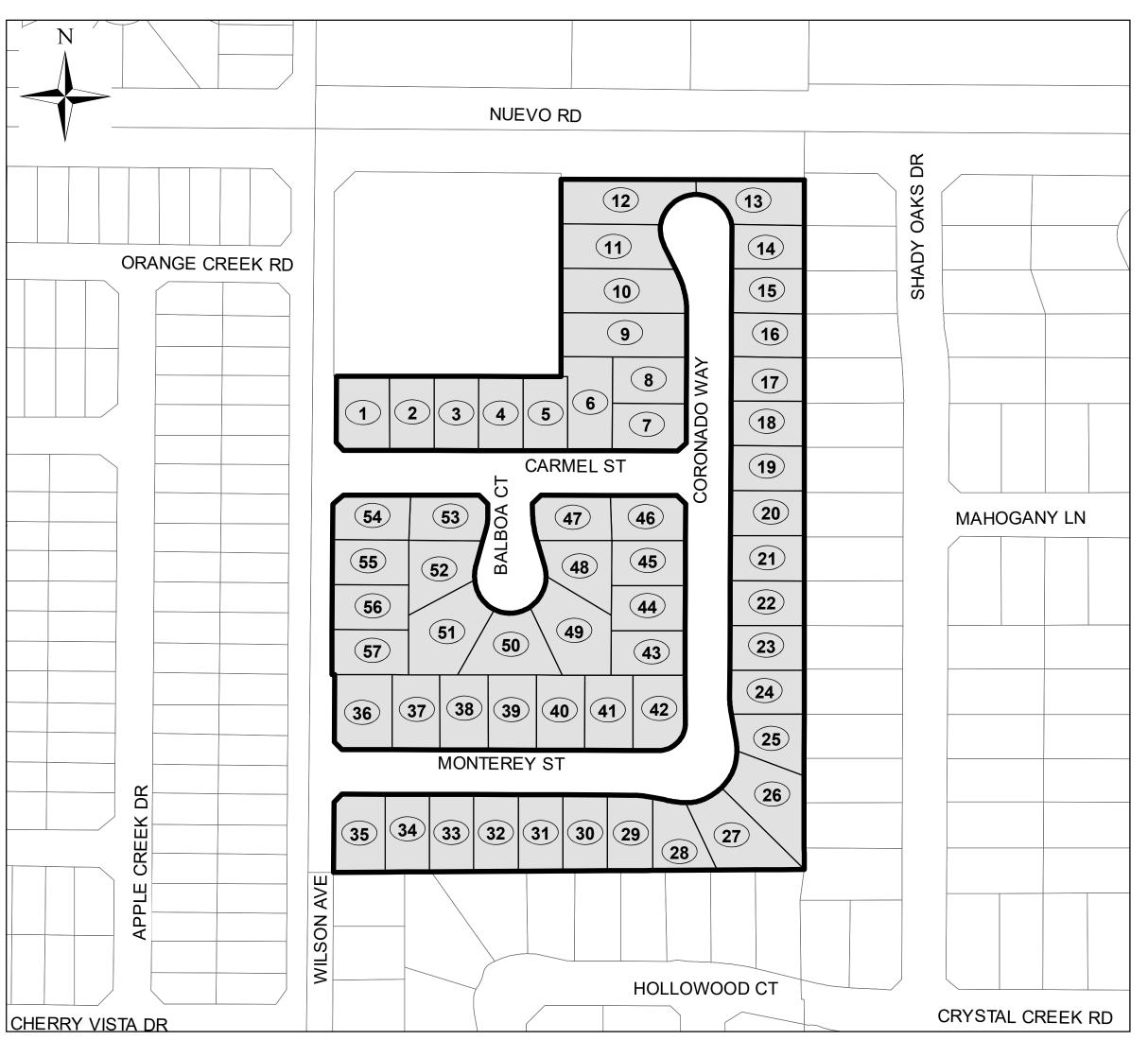


27368 VIA INDUSTRIA, SUITE #200 TEMECULA, CA 92590 (951) 587-3500

MAP OF PROPOSED BOUNDARIES OF **COMMUNITY FACILITIES DISTRICT NO. 2021-1** (AVION POINTE/ACACIA)

CITY OF PERRIS COUNTY OF RIVERSIDE STATE OF CALIFORNIA

ZONE 2



MAP REFERENCE	ASSESSOR'S
NUMBER	PARCEL NUMBER
1	311-161-001
2	311-161-002
3	311-161-003
4	311-161-004
5	311-161-005
6	311-161-006
7	311-161-007
8	311-161-008
9	311-161-009
10	311-161-010
11	311-161-011
12	311-161-012
13	311-161-013
14	311-161-014
15	311-161-015
16	311-161-016
17	311-161-017
18	311-161-018
19	311-161-019
20	311-161-020
21	311-161-021
22	311-161-022
23	311-161-023
24	311-161-024
25	311-161-025
26	311-161-026
27	311-161-027
28	311-161-028
29	311-161-029
	311 131 020

MAP REFERENCE	ASSESSOR'S
NUMBER	PARCEL NUMBER
30	311-161-030
31	311-161-031
32	311-161-032
33	311-161-033
34	311-161-034
35	311-161-035
36	311-162-001
37	311-162-002
38	311-162-003
39	311-162-004
40	311-162-005
41	311-162-006
42	311-162-007
43	311-162-008
44	311-162-009
45	311-162-010
46	311-162-011
47	311-162-012
48	311-162-013
49	311-162-014
50	311-162-015
51	311-162-016
52	311-162-017
53	311-162-018
54	311-162-019
55	311-162-020
56	311-162-021
57	311-162-022

Legend

Zone 2 Boundary

Map Reference Number



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

EXHIBIT "C"

COMMUNITY FACILITIES DISTRICT NO. 2021-1 OF THE CITY OF PERRIS (AVION POINTE/ACACIA)

FACILITIES DESCRIPTION

1. EMWD Facilities. The type of EMWD Facilities eligible to be financed by the CFD under the Act are as follows:

Those water and sewer facilities included in EMWD's water and sewer capacity and connection fee programs used to finance expansion projects, exclusive of in-tract facilities contributed by Property Owner. EMWD Facilities include, but are not limited to the following: water and sewer transmission pipelines, sewer treatment plants, disposal ponds, pumping plants, lift stations and water reservoirs, including all costs of site acquisition, planning, design, engineering, legal services, materials testing, coordination, surveying, construction staking, construction, inspection and any and all appurtenant facilities and appurtenant work relating to the foregoing.

2. Acquisition Facilities. The types of Acquisition Facilities eligible to be financed by the CFD under the Act shall consist of sewer and water transmission lines, sewer and water pump stations and water reservoirs, including all costs of site acquisition, planning, design, engineering, legal services, materials testing, coordination, surveying, construction staking, construction inspection and any and all appurtenant facilities to the foregoing required to serve the Property. The facilities listed above are representative of the types of facilities eligible to be financed by the CFD as Acquisition Facilities. Detailed scope and limits of specific projects will be determined by EMWD as appropriate, consistent with the standards of the EMWD.

01006.0829/690997.2 C-1

EXHIBIT C-1

COMMUNITY FACILITIES DISTRICT NO. 2021-1 OF THE **CITY OF PERRIS (AVION POINTE/ACACIA)**

FACILITIES LIST

City of Perris (1)	Р	er Unit	No. Units	Total
Police	\$	59	106	\$ 6,254
Fire		362	106	38,372
Community Amenities		1,120	106	118,720
Government Facilities		576	106	61,056
Parks		7,677	106	813,776
Transportation Facilities		4,025	106	426,650
Sub-Total:	\$	13,819		\$ 1,464,828
2021 Eastern Municipal Water District Fees (2)	Р	er Unit	No. Meters/Units	Total
Water Financial Participation	\$	5,584	106	\$ 591,904
Sewer Financial Participation		2,958	106	313,548
Sewer Treatment Plant Capacity		6,027	106	638,862
Water Supply Development Fee		300	106	31,800
Water Meter Fee		377	106	39,962
Sub-Total:	\$	15,246		\$ 1,616,076
City Facilities (Zone 2)				Total
Remaining Proceeds for Nuevo Rd./Wilson Ave. Improver		ts		\$ 319,601
Sub-Total:				\$ 319,601
		er Unit	No. Units	Total
TOTAL AUTHORIZED FEES	\$	32,080	106	\$ 3,400,505

⁽¹⁾ Per the current City of Perris Development Impact Fee schedule. (2) Per the current 2021 EMWD Fee schedule.

C-2 01006.0829/690997.2

EXHIBIT "D"

COMMUNITY FACILITIES DISTRICT NO. 2021-1 OF THE CITY OF PERRIS (AVION POINTE/ACACIA)

DISBURSEMENT REQUEST FORM (EMWD Facilities)

("CFD") is hereby requested to pay from	ct No. 2021-1 of the City of Perris (Avion Pointe/Acacia) the CFD bond proceeds ("Bond Proceeds") to Eastern Payee, or to EMWD's designee, the sum set forth in 3
	at the amount requested for EMWD Facilities is due and equest or payment, and is being made with respect to the to the EMWD system.
3. Amount requested: \$ For Tract/Lot Nos:	
Joint Community Facilities Agreement, by Los Angeles Holding Company, Inc., dated terms not defined herein shall have the mea Bond Proceeds allocated hereby in accorda Agreement. 5. By entering into the Agreement	ove is authorized and payable pursuant to the terms of the and among the City of Perris, EMWD and D.R. Horton
herein, EMWD is not passing upon, determ federal or California state income tax purpos	ining or assuming the tax-exempt status of the Bonds for ses.
	PROPERTY OWNER
	D.R. HORTON LOS ANGELES HOLDING COMPANY, INC., a California corporation
	By: Barbara M. Murakami, Vice President
	EASTERN MUNICIPAL WATER DISTRICT
	Ву:

cc: EMWD Special Funding District

01006.0829/690997.2 D-1

EXHIBIT "E"

COMMUNITY FACILITIES DISTRICT NO. 2021-1 OF THE CITY OF PERRIS (AVION POINTE/ACACIA)

PAYMENT REQUEST FORM CITY OF PERRIS CFD NO. 2021-1 – OTHER FACILITIES ACCOUNT OF THE IMPROVEMENT FUND

City of Perris ("City"), Eastern Municipal Water District ("EMWD") and D.R. Horton Los Angeles Holding Company, Inc. ("Property Owner") are parties to the Joint Community Facilities Agreement, dated as of ________, 2021 (the "EMWD JCFA"). Capitalized undefined terms used herein shall have the meanings ascribed thereto in the EMWD JCFA. Pursuant to the EMWD JCFA, Property Owner hereby requests approval of the acquisition price of the Acquisition Facility(ies) described in Attachment A attached hereto. In connection with this Payment Request, Property Owner hereby represents and warrants to the EMWD as follows:

- (a) The person executing this Payment Request is qualified to execute this Payment Request on behalf of Property Owner and knowledgeable as to the matters set forth herein.
- (b) The Acquisition Facility(ies) have been constructed in accordance with the Plans therefor, and in accordance with all applicable EMWD standards and the requirements of the EMWD JCFA.
- (c) The true and correct Actual Cost of the Acquisition Facility(ies) is set forth in Attachment A.
- (d) Property Owner has submitted or submits herewith to EMWD the contracts, invoices, receipts, worksheets and other evidence of Actual Costs which are in sufficient detail to allow the EMWD Representative to verify the Actual Cost of the Acquisition Facility(ies) for which payment is requested.
- (e) There are no liens, rights to lien or attachment upon, or claims affecting the right to receive the payment requested herein which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by operation of law. Copies of lien releases for all work for which payment is requested hereunder are attached hereto.

Property Owner hereby declares under penalty of perjury that the above representations and warranties are true and correct.

[Remainder of page intentionally left blank]

01006.0829/690997.2 E-1

Property Owner hereby requests that the acquisition price be paid to the person or persons, in the amount set forth in Attachment B hereto.

PROPERTY OWNER

D.R. HORTON LOS ANGELES HOLDING
COMPANY, INC., a California corporation

By:	
•	Barbara M. Murakami, Vice President

01006.0829/690997.2 E-2

CONFIRMATION AND APPROVAL BY EMWD

EMWD has (a) confirmed that the Ac	equisition Facility(ies) described in Attachment A is/are
complete and was/were constructed in accord	lance with the Plans therefor, and (b) reviewed, verified
and approved the acquisition price of such A	Acquisition Facility(ies). Such Acquisition Facility(ies)
is/are complete and the acquisition price there	efor eligible for payment is \$ The amount to
be paid and the payee(s) are described in Attach	chment B.
paragraph regarding requisitioning Bond Prod	and confirming the matters set forth in the preceding ceeds as described herein, EMWD is not passing upon, s of the Bonds for federal or State income tax purposes.
Date:	AUTHORIZED REPRESENTATIVE OF EMWD
	Bv:

01006.0829/690997.2 E-3

ATTACHMENT A

Acquisition Facility	Actual Cost	Acquisition Price*
	T-4-1 Ai-4i D i (-1 - D	1.1.
	Total Acquisition Price to be Paid:	

ATTACHMENT B

ACQUISITION PRICE PAYMENT INSTRUCTIONS

[Include name and address of payee and wire transfer instructions]

FUNDING AGREEMENT

THIS FUNDING AGREEMENT, dated March 30, 2021, is by and between the City of Perris, California (the "City"), acting on behalf of Community Facilities District No. 2021-1 (Avion Pointe/Acacia) of the City of Perris (the "District"), and D.R. Horton Los Angeles Holding Company, Inc., a California corporation, as landowner (the "Landowner") and as developer (the "Developer").

RECITALS

WHEREAS, the City has undertaken proceedings to form the District, authorize the levy of special taxes within the District (the "Special Taxes"), and the issuance of bonds by the District (the "Bonds") pursuant to the Mello-Roos Community Facilities Act of 1982 (constituting Sections 53311 *et seq.* of the California Government Code) (the "Act") to fund the payment of Public Fees (as herein defined) and related costs used to acquire, rehabilitate and/or construct Public Facilities (as defined herein); and

WHEREAS, the Landowner is the owner and the developer of the property within the proposed District as further described on Exhibit A-1 hereto, which the Developer intends to develop for residential purposes (the "Project"); and

WHEREAS, the City, Landowner and Developer will benefit from a coordinated plan of financing of the Public Fees and the Public Facilities through the District; and

WHEREAS, the Landowner, Developer and the City wish to finance the payment of all or a portion of the Public Fees as described on Exhibit B hereto (as it may be amended or supplemented) which fund the Public Facilities with funds deposited in the Improvement Fund (as defined herein); and

WHEREAS, the Landowner and City have entered into a Joint Community Facilities Agreement ("EMWD JCFA") with Eastern Municipal Water District ("EMWD") in order to fund certain Public Fees and Public Facilities of EMWD; and

WHEREAS, the City intends to eventually authorize the issuance of the Bonds under the Act and the Fiscal Agent Agreement (as defined herein), the proceeds of which shall be used, in part, to finance Public Fees and Public Facilities; and

WHEREAS, in conjunction with the issuance of permits for the construction of homes on the Property, the Landowner, Developer, or their successors or assigns, have agreed to either make deposits ("Deposits") with the City to secure the future payments of Public Fees from the proceeds of the Bonds or loans to the City to pay Public Fees ("Advances"), which loans will be repaid from the proceeds of the Bonds when issued, to the extent Bonds are issued; and

WHEREAS, if such Deposits or Advances are made, the Landowner, Developer or their successor and assigns shall be entitled to (i) payment of Public Fees (which shall fund public facilities after the issuance of the Bonds) from the proceeds of the Bonds and reimbursement of Deposits from funds other than the proceeds of the Bonds or (ii) repayment of such Advances limited to proceeds of the Bonds allocated for that purpose and the Advances being considered

an interest-free loan by the Landowner or Developer with no repayment obligation except to the extent there are proceeds of the Bonds allocated therefor; and

WHEREAS, in consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, Landowner and Developer agree that the foregoing recitals, as applicable to each, are true and correct and further make the agreements set forth herein.

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

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. The following terms shall have the meanings ascribed to them in this Section 1.01 for purposes of this Agreement. Unless otherwise indicated, any other terms, capitalized or not, when used herein shall have the meanings ascribed to them in the Fiscal Agent Agreement (as hereinafter defined).

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

"Agreement" means this Funding Agreement, together with any Supplement hereto.

"Bonds" means the bonds, notes or other indebtedness of the District issued to generate proceeds for the Improvement Fund.

"City" means the City of Perris, California.

"County" means the County of Riverside, California.

"Developer" means D.R. Horton Los Angeles Holding Company, Inc., a California corporation, and its successors and assigns (other than individual homebuyers) in accordance with the terms of this Agreement.

"District" means Community Facilities District No. 2021-1 (Avion Pointe/Acacia) of the City of Perris, a community facilities district organized and existing under the laws of the State of California.

"District Representative" means the City Manager or Finance Director or his/her designee.

"Fiscal Agent" means the fiscal agent identified in the Fiscal Agent Agreement, or any successor thereto acting as fiscal agent under the Fiscal Agent Agreement.

"Fiscal Agent Agreement" means a fiscal agent agreement between the City and the Fiscal Agent, providing for, among other matters, the issuance of the Bonds and the

establishment of the Improvement Fund, as it may be amended or supplemented from time to time.

"Improvement Fund" means the Improvement Fund established by a Fiscal Agent Agreement relating to the issuance of the Bonds of the District, from which the Public Fees shall be paid. The Improvement Fund may be comprised of one or more accounts, as described in the Fiscal Agent Agreement.

"Landowner" means D.R. Horton Los Angeles Holding Company, Inc., a California corporation.

"MOU" means the Memorandum of Understanding, dated January 12, 2021, between the City and the Landowner.

"Party" means either the City, the Developer or the Landowner; "Parties" means the Landowner, the Developer and the City.

"Payment Request" means a document, substantially in the form of Exhibit C hereto, to be used in requesting a payment of a Public Fee for a Public Facility.

"Public Facility" or "Public Facilities" means any facility or facilities described in the resolution of intention relating to the District and in the fee programs of the City or other public agency, including EMWD, as applicable.

"Public Fees" means one or more of the fees described in Exhibit B hereto which are eligible to be financed out of the Improvement Fund and includes fees described in the EMWD JCFA.

"Prior CFD" means Community Facilities District No. 2006-3 (Alder) of the City of Perris.

"Rate and Method" means the particular Rate and Method of Apportionment of Special Taxes approved by the qualified electors within the District.

"Special Taxes" means the special taxes authorized to be levied in the District pursuant to the Rate and Method.

"Supplement" means a written document amending, supplementing or otherwise modifying this Agreement and any exhibit hereto, including any amendments to the list of Public Fees in Exhibit B, and/or the addition to Exhibit B of additional Public Fees to be financed with the proceeds of the Bonds deposited in the Improvement Fund.

ARTICLE II

FUNDING

Section 2.01 Proceedings. The City shall, in its discretion, conduct all necessary proceedings under the Act for the formation of the District and the issuance, sale and delivery of the Bonds.

Section 2.02 Bonds. The City shall not be obligated to pay the Advances or Public Fees thereof except from amounts on deposit in the Improvement Fund. The City makes no warranty, express or implied, that the proceeds of the Bonds deposited and held in the Improvement Fund, and any investment earnings thereon to remain in the Improvement Fund, will be sufficient to pay for all of the Public Fees or Advances.

Section 2.03 Proceeds. The proceeds of the Bonds shall be deposited, held, invested, reinvested and disbursed as provided in the Fiscal Agent Agreement. A portion of the proceeds of the Bonds will be set aside in the Improvement Fund. Moneys in the Improvement Fund shall be deposited, held, invested, reinvested and disbursed therefrom in accordance with the provisions of the Fiscal Agent Agreement and the applicable provisions hereof for payment of all or a portion of the Public Fees, all as herein provided.

The Landowner and Developer acknowledge that any lack of availability of amounts in the Improvement Fund to pay the Public Fees or Advances shall in no way diminish any obligation of the Landowner and/or Developer, as the case may be, with respect to the public facilities and mitigation measures required in connection with the Project by any development or other agreement to which the Landowner and/or Developer, is a party, or any governmental approval to which the Developer or Landowner is subject (collectively, the "Improvement Agreements"). In addition, the Landowner and Developer acknowledge that payment of the Public Fees hereunder shall in no manner diminish the Landowner's or Developer's obligation to pay any increases in said Public Fees with respect to the Project applicable to the Landowner and/or Developer from its own funds.

Section 2.04 Continuing Disclosure Agreement. The Landowner and Developer agree to provide to the City, and to require each transferee or assignee to provide to the City all information regarding the development within the District, including the financing plan for such development, which is necessary to ensure that the City complies with its continuing disclosure obligations under the Fiscal Agent Agreement and all other applicable federal and state securities laws.

Section 2.05 MOU and Letter of Credit. Pursuant to the MOU, the Landowner has agreed to provide a letter of credit to secure payment of Special Taxes in the CFD. The Developer and Landowner understand and agree to provide such letter of credit as described in the MOU. The parties agree to work cooperatively with the terms of the letter of credit and issuance of the Bonds in order to accomplish the purposes of the MOU and the City's concerns about the size of the District and proposed Bond issues.

ARTICLE III

PAYMENT OF PUBLIC FEES

Section 3.01 Verification. No payment hereunder shall be made by the City to or on behalf of the Landowner and/or Developer for a Public Fee, Deposit or Advance until the amount has been verified by the District Representative. No payment hereunder shall be made by the City or on behalf of the Landowner and/or Developer for a Public Fee, Advance or Deposit if the City determines not to finance said fee upon advice of counsel or due to changes in the Act. No payment shall be made to any transferee developer or owner of the property unless such party becomes a party to this Agreement by assignment or otherwise pursuant to the terms hereof.

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Section 3.02 Requests. The Landowner or Developer may make Deposits or Advances related to Public Fees prior to the issuance of the Bonds pursuant to Section 3.06 and 3.07 hereof. Following the issuance of the Bonds, the Developer shall cause a Payment Request to be submitted to the City for the payment of all of the remaining City's Public Fees subject to this Agreement and requested by the City.

In order to cause a Public Fee, Advance or Deposit (pursuant to this Article) to be paid, the Landowner or Developer (with respect to its property) shall deliver to the District Representative: (i) a Payment Request in the form of Exhibit C hereto for such Public Fee, Advance or Deposit and (ii) such invoices or documentation to evidence said Payment Request. The Developer and Landowner each authorize the other to act on its behalf in providing such Payment Requests and (iii) such information and requests required by the EMWD JCFA with respect to EMWD's facilities.

Section 3.03 Payment Requests. Upon receipt of a Payment Request to pay the Public Fees (and all accompanying documentation), the District Representative shall conduct a review in order to confirm that such request is complete, and to verify and approve the amount of the Public Fee, Advance or Deposit specified in such Payment Request. The District Representative shall conduct each such review in a diligent manner and the Developer and Landowner agree to reasonably cooperate with the District Representative in conducting each such review and to provide the District Representative with such additional information and documentation as is reasonably necessary for the District Representative to conclude each such review. Within thirty (30) business days of receipt of any Payment Request, the District Representative shall notify the Developer or Landowner, as the case may be, whether such Payment Request is complete, and, if not, what additional documentation must be provided. If such Payment Request is complete, the District Representative will provide a written approval or denial of the request within thirty (30) days of its submittal. If the District Representative disapproves any Payment Request, it shall provide written notice of disapproval to the Developer or Landowner within such thirty (30) day period stating in reasonable detail the reasons for such disapproval and the changes to the Payment Request necessary to obtain the District Representative's approval. Representative's review of any Payment Request may be made on an individual fee basis such that the District Representative may approve for payment any Public Fee, Advance or Deposit covered by a Payment Request that complies with the requirements of this Agreement even if the District Representative disapproves other Public Fees, Advances or Deposits included as part of the same Payment Request; provided, however that the District Representative may request that a new Payment Request be submitted evidencing Public Fees, Advances or Deposits that the District Representative shall approve.

The City shall be entitled to withhold payment for any Public Fees to be paid to a public entity other than the City if the Developer or Landowner does not provide the District Representative with evidence that such entity has verified the amount to be paid as such Public Fee. Payment of Public Fees to EMWD shall also be made pursuant to the terms of the EMWD JCFA.

Following the issuance of the Bonds, the Developer shall cause a Payment Request to be submitted to the City for the payment of all of the remaining City's Public Fees subject to this Agreement and requested by the City. The Developer and Landowner agree to pay such fees immediately upon issuance of the Bonds to the extent there are sufficient proceeds of the Bonds and prior to the payment of any fees or facilities due and owing to EMWD or other public agencies from proceeds of the Bonds. Notwithstanding the previous sentence, the Developer and

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Landowner shall be responsible for any increases in Public Fees subsequent to payment hereunder to the extent such increases apply to the Developer's and Landowner's property pursuant to the resolutions and ordinances of the City enacting Public Fees. At the same time of the payment of the Public Fees, the Developer or Landowner may request return of the Advances and/or reimbursement of any Deposits, as the case may be. To the extent there are two bond issues supported by the separate parcels related to the District, such Public Fees may be paid on a former tract map basis.

The City may, in its discretion, prior to the issuance of the Bonds pay City Public Fees (including reimbursements of Advances or Deposits) from Special Taxes.

Section 3.04 Payment. Upon approval of the Payment Request (or any portion thereof) by the District Representative, the District Representative shall sign the Payment Request and shall, within ten (10) business days of receipt of the approved Payment Request, cause the same to be paid, to the extent of funds then on deposit in the Improvement Fund. Any approved Payment Request not paid due to an insufficiency of funds in the Improvement Fund shall be paid promptly following the deposit into the Improvement Fund of additional proceeds of the Bonds, earnings on the Improvement Fund or other funds deposited or transferred therein pursuant to the Fiscal Agent Agreement, if any. Upon the exhaustion of the Improvement Fund as a result of paying Public Fees to the governmental entity charging such Public Fees (the "Charging Entity"), and/or reimbursing the Developer and/or Landowner for Public Fees and Facilities advanced by the Developer, all remaining Public Fees shall be paid directly by the Developer and/or Landowner, as applicable, from its own funds at such time as such fees are normally required to be paid.

Section 3.05 Payment For Public Facilities, Deposits and Advances. The Landowner has petitioned the City to form the District for the purpose of financing the Public Fees and Public Facilities of certain public agencies, which Public Fees shall be used pursuant to the law to finance, the acquisition and/or construction of various public facilities to be owned and operated by said public agencies. The Landowner shall not own any of the Public Facilities. Pending the issuance of the Bonds, the Developer or Landowner may make Advances or Deposits of Public Fees for public facilities and be reimbursed as provided in Section 3.06 and 3.07.

Section 3.06 Payment of Deposits. In conjunction with the recording of the final subdivision map(s) for the Project, and the issuance of building permits for the construction of homes within the Project, it may be necessary for the Developer, Landowner, or its successors or assigns, to make deposits (the "Deposits") equal to the amount of Public Fees then required. The Developer or Landowner shall notify the City in writing of its intention to pay Public Fees as Deposits and Advances when it requests such permit or action and the City shall determine whether to treat it as an Advance (pursuant to Section 3.07) or Deposit. To the extent the City does not make such determination, such amount shall be treated as an Advance pursuant to Section 3.07. With respect to Deposits, upon or following the issuance and sale of the Bonds, Developer and/or Landowner may execute and submit a Disbursement Request to the District requesting payment of such Public Fees to the City or other public agency of an amount equal to such Deposits from the proceeds of the Bonds. Within ten (10) business days of the City's receipt of funds pursuant to such approved Payment Request, the City shall return the Deposits to the Developer and/or Landowner, as applicable. The City shall refund the Deposit from any funds of the City excluding the Bond proceeds. In the event Bonds are not issued within twenty four (24) months of the date of any Deposits, such Deposits may at the written discretion of the

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City, be applied to pay the Public Fees, and shall no longer be reflected as a deposit on the accounts of the City. To the extent the Developer desires to make deposits equal to the sum of the authorized fees due to other public agencies prior to the issuance of the Bonds, the Developer must enter into an agreement with such agency to such effect. The City will cooperate with the Developer in facilitating such agreements.

Section 3.07 Payment as Advances. In conjunction with the recording of the final subdivision map(s) for the Project, and the issuance of building permits for the construction of homes within the project, the Developer, Landowner, or its successors or assigns, may make advances of Public Fees as a no interest loan to the City (the "Advances") equal to the amount of Public Fees then required. All payments by the Developer or Landowner shall be deemed to be Advances unless the City has determined to treat them as Deposits per Section 3.06 above. Upon or following the issuance and sale of the Bonds, the Developer and/or Landowner may execute and submit a Disbursement Request to the District requesting reimbursement of such Advances from Bond Proceeds. Within ten (10) business days of the City's receipt of funds pursuant to such approved Payment Request, the City shall return the Advances to the Developer and/or Landowner, as applicable. In the event Bonds are not issued within twenty-four (24) months of the date of any Advances, such Advances may at the written discretion of the City and the District shall no longer be required to reimburse such Advances. The City may expend the Advances on public facilities prior to the issuance of the Bonds. For allocation purposes, the City's policy is to spend Advances and Public Fees which constitute proceeds of the Bonds on the first eligible capital expenditure for public improvements for expenditure of bond proceeds prior to expenditure of any other funds.

Section 3.08 Community Facilities Fee. The Landowner and Developer agree to pay a fee of \$1,000 per unit, which fee shall be used toward Public Facilities and other facilities referenced in the proceedings of the District. Such amount may be paid from the proceeds of the Bonds.

Section 3.09 Costs of Forming District and Issuing Bonds. The City has agreed to expend up to \$100,000 of the costs of forming the District and removing the Prior CFD from the special taxes collecting in the Prior CFD pursuant to the MOU. The City and the Landowner desire that in accordance with Section 53314.9 of the Act in order to provide for the advancement of funds by the Landowner or Developer to be used to pay costs incurred in connection with the formation of the District and/or the issuance of the Bonds ("Costs") and to provide for the reimbursement to the Owner of such funds advanced, without interest, from the proceeds of the Bonds. Within five business days of a request of the City for funds for such Costs, the Developer or Landowner shall transfer the amount of requested funds to City to use for such Costs, if any. The District may reimburse such funds from the proceeds of the Bonds to be issued by the District. The City shall return any unexpended funds to Landowner. The City may also pay any of such Costs from Special Taxes.

ARTICLE IV

REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 4.01 Covenants and Warranties of the Developer and Landowner. The Developer and Landowner represent and warrant for the benefit of the City as follows:

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- A. <u>Organization</u>. The Landowner is a California corporation, in compliance with the laws of the State of California and has the power and authority to own its property and assets and to carry on its business as now being conducted and as now contemplated. The Developer is a California corporation, duly organized under the laws of the State of California and has the power and authority to own its property and assets and to carry on its business as now being conducted and as now contemplated.
- B. <u>Authority</u>. The Developer and the Landowner have the power and authority to enter into this Agreement, and have taken all action necessary action on their part to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Developer and the Landowner.
- C. <u>Binding Obligation</u>. This Agreement is a legal, valid and binding obligation of the Developer and Landowner, enforceable against the Developer and Landowner in accordance with its terms.
- D. <u>Financial Records</u>. The Developer and Landowner covenant to maintain proper books of record of its payment of its Deposits, Advances and Public Fees. Such accounting books shall be maintained in accordance with generally accepted accounting principles; and shall be available for inspection by the City or its agent at any reasonable time during regular business hours on reasonable notice.
- E. <u>Plans</u>. The Developer represents that it has obtained or will obtain approval of the plans for the Project to be constructed by the Developer from all appropriate departments of the City and from any other public entity or public utility from which such approval must be obtained. The Developer further agrees that the Project to be constructed by the Developer has been or will be constructed in compliance with such approved plans and specifications and any supplemental agreements (change orders) thereto, as approved in the same manner.
- F. <u>Tax Exemption</u>. The Developer and Landowner shall not take any action with respect to this Agreement or the Bonds which shall cause the interest on the Bonds to be included in gross income of the holders thereof for federal income tax purposes under the Internal Revenue Code of 1986, as amended.
- Section 4.02 Indemnification and Hold Harmless of Landowner and Developer and limitation of liability of City. To the greatest extent permitted by law, the Developer and Landowner shall assume the defense of, indemnify, and hold harmless the City, its officers, directors, employees and agents and each of them, from and against all actions, damages, claims, losses or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from this Agreement and the Bonds.

The Developer and Landowner acknowledge that neither the District nor the City would have entered into this Agreement if it were to be liable in damages under or with respect to this Agreement. Any and all obligations of the District and the City hereunder shall be payable only from proceeds of Bonds, to the extent such proceeds may become available. Neither the District nor the City shall have any pecuniary liability for any act or omission of the District or the City. In no event will an act, or an omission or failure to act, by the District or the City with respect to the sale or proposed sale or issuance of the Bonds subject the District or the City to pecuniary liability therefor.

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In light of the foregoing, the Developer covenants not to sue for or claim any damages for any alleged breach of, or dispute which arises out of, this Agreement, other than to compel payment by the District to the Developer of the amount of Bond proceeds to be applied to the payment of Public Fees in accordance with the provisions hereof.

The Landowner and Developer hereby agree to indemnify, hold harmless and defend the City, the Prior CFD and the District from any and all claims of any nature or kind asserted by any party, including but not limited to the Original Developers, the Prior Owner, or any party to the Prior School and Water Agreements with respect to the MOU (as such terms are defined in the MOU), the Prior CFD and the prior funding commitments thereunder like the Prior School and Water Agreements (as defined in the MOU). To the extent the City expends the special taxes related to the Prior CFD on anything else than administrative expenses of the Prior CFD, administrative expenses of the District or facilities and fees of the type described in the resolution of intention related to Prior CFD, the City will pay to the Landowner or Developer following a final non-appealable final judgment related to this expenditure against the Landowner or Developer up to the amount of the special taxes expended on other items. This previous sentence is not intended to limit any indemnification requirements of the Landowner or Developer herein, nor is it intended to apply in any suit by the Original Owners, or any assignees thereof, the Prior Owner or any former developer/owner of the property.

ARTICLE V

DEFAULT AND REMEDIES

Section 5.01 Default Remedies. Subject to the extensions of time as agreed to in writing by the parties hereto, failure by either party to perform any action or covenant required by this Agreement within the time periods provided herein following Notice and failure to cure as described hereafter, constitutes a "Default" under this Agreement. A Party claiming a Default shall give written Notice of Default to the other Party specifying such Default. Except as otherwise expressly provided in this Agreement, the claimant shall not institute any proceeding against any other Party, and the other Party shall not be in Default if such party within thirty (30) days from receipt of such Notice immediately, with due diligence, commences to cure, correct or remedy such failure or delay and shall complete such cure, correction or remedy with diligence.

Section 5.02 Institution of Legal Actions. The Parties shall be entitled to seek any remedy available at law and in equity for the other Party's Default. All legal actions must be instituted in the Superior Court of the County of Riverside, State of California, in an appropriate municipal court in Riverside County, or in the United States District Court for the District of California in which Riverside County is located.

Section 5.03 Acceptance of Service of Process. In the event that any legal action is commenced by the Developer and/or Landowner against the City, service of process on the City shall be made by personal service upon the City Clerk or in such other manner as may be provided by law. In the event that any legal action is commenced by the City against the Developer and/or Landowner, service of process on the Developer and/or Landowner shall be made in such manner as may be provided by law.

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Section 5.04 Rights and Remedies Are Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same Default or any other Default by the other Party.

Section 5.05 Inaction Not a Waiver of Default. Any failures or delays by either Party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies, or deprive either such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

Section 5.06 Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

Section 5.07 Attorneys' Fees. In any action between the Parties to interpret, enforce, reform, modify, rescind or otherwise in connection with any of the terms or provisions of this Agreement, the prevailing party in the action or other proceeding shall be entitled, in addition to damages, injunctive relief or any other relief to which it might be entitled, reasonable costs and expenses including, without limitation, litigation costs, expert witness fees and reasonable attorneys' fees.

ARTICLE VI

GENERAL

Section 6.01 Mutual Consent. This Agreement may be amended or terminated by the mutual written consent of the City, the Landowner and the Developer, and the Developer or Landowner shall have no claim or right to any portions of moneys in the Improvement Fund except as otherwise may be provided in such written consent and subject to Federal and State law.

Section 6.02 Audit. The City shall have the right, during normal business hours and upon the giving of five (5) business days' prior written notice to the Developer, to review all books and records of the Developer or Landowner, as applicable relating to this Agreement and the Public Fees.

Section 6.03 Notices, Demands and Communications Between the Parties. Any notices, requests, demands, documents, approvals or disapprovals given or sent under this Agreement from one Party to another Party (collectively, "Notices") may be personally delivered, transmitted by facsimile (FAX) transmission, or deposit with the United States Postal Service for mailing, postage prepaid, to the address of the other Party as stated in this Section, and shall be deemed to have been given or sent at the time of personal delivery or FAX transmission or, if mailed, on the third day following the date of deposit in the course of transmission with the United States Postal Service. Notices may also be given by email to the parties listed below and shall be considered received upon an acknowledgment of receipt by the party to whom it is sent for notice purposes. Automatic email receipts shall not be sufficient. Notices shall be sent as follows:

If to City:

City of Perris Attn: City Manager 101 N. "D" Street Perris, CA 92570

Phone: (951) 943-6100 Fax: (951) 657-1087

Email: cityclerk@cityofperris.org

With copies to:

Aleshire & Wynder, LLP

Attn: Eric Dunn, City Attorney

18881 Von Karman Avenue, Ste. 1700

Irvine, CA 92612 Phone: 949/933-7811 Fax No. (949) 223-1180

Email: edunn@awattorneys.com

If to Developer or Landowner:

D.R. Horton, *America's Builder* 2280 Wardlow Circle, Suite 100

Corona, CA 92880

Attn: Barbara M. Murakami,

Senior Vice President, Forward Planning & Entitlements,

Southern California Phone: (951) 739-5443 Fax: (800)773-0485

Email: bmmurakami@drhorton.com

With a copy to:

O'Neil LLP

Attn: Sandra A. Galle

19900 MacArthur Boulevard, Suite 1050

Irvine, CA 92612

Phone: (949) 798-0725 Fax: (949) 798-0511

Email: sgalle@oneil-llp.com

Section 6.04 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. The Developer or Landowner, upon consent of the City, may assign its rights pursuant to this Agreement to a purchaser (an "Assignee") of a portion or portions of the property which is/are located within the District (the

"Property"). The Developer or Landowner and Assignee shall provide to the City such reasonable proof as it may require that such Assignee is the purchaser and/or developer of such portion(s) of the Property. Such Assignee shall, as a condition to paying for or receiving reimbursement for Public Fees under the terms hereof, enter into an assignment and assumption agreement with the City and the Developer or Landowner, in the form attached hereto as Exhibit D and as agreed to by the City, whereby such Assignee agrees, except as may be otherwise specifically provided therein, to assume the obligations of the Developer or Landowner pursuant to this Agreement with respect to this Agreement, and to be bound thereby. The City's and the District's obligations under this Agreement shall cease to the extent a proper assignment has not been executed by the City and neither the Landowner nor the Developer own any of the property in the District.

Section 6.05 Relationship Between City, Developer and Landowner. It is hereby acknowledged by the Developer and Landowner that the relationship between the City, Developer and Landowner is not that of a partnership or joint venture and that the City, Developer and Landowner shall not be deemed or construed for any purpose to be the agent of the other. The Developer agrees to indemnify, hold harmless and defend the City from any claim made against the City arising from a claimed relationship of partnership or joint venture between the City, Developer and Landowner with respect to the development, operation, maintenance or management of the site or the Project.

Section 6.06 No Third Party Rights. The Parties intend that no rights nor remedies be granted to any third party as a beneficiary of this Agreement or of any covenant, duty, obligation or undertaking established herein.

Section 6.07 Counterparts. This Agreement may be signed in multiple counterparts which, when signed by all Parties, shall constitute a binding agreement. This Agreement is executed in three (3) originals, each of which is deemed to be an original.

Section 6.08 Other Agreements. The obligations of the Developer and Landowner hereunder shall be that of a party hereto. Nothing herein shall be construed as affecting the City's, Developer's, or Landowner's rights, or duties to perform their respective obligations, under other agreements, use regulations or subdivision requirements relating to the development. This Agreement shall not confer any additional rights, or waive any rights given, by either party hereto under any development or other agreement to which they are a party.

Section 6.09 Titles and Captions. Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement or of any of its terms. Reference to section numbers are to sections in this Agreement, unless expressly stated otherwise.

Section 6.10 Interpretation. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others where and when the context so dictates. The word "including" shall be construed as if followed by the words "without limitation." This Agreement shall be interpreted as though prepared jointly by both Parties.

Section 6.11 No Waiver. A waiver by either Party of a breach of any of the covenants, conditions or agreements under this Agreement to be performed by the other Party shall not be

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construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions of this Agreement.

Section 6.12 Modifications. Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made in writing and in each instance signed on behalf of each Party.

Section 6.13 Severability. If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

Section 6.14 Computation of Time. The time in which any act is to be done under this Agreement is computed by excluding the first day (such as the day escrow opens), and including the last day, unless the last day is a holiday or Saturday or Sunday, and then that day is also excluded. The term "holiday" shall mean all holidays as specified in Section 6700 and 6701 of the California Government Code. If any act is to be done by a particular time during a day, that time shall be Pacific Time Zone time.

Section 6.15 Legal Advice. Each Party represents and warrants to the other the following: they have carefully read this Agreement, and in signing this Agreement, they do so with full knowledge of any right which they may have; they have received independent legal advice from their respective legal counsel as to the matters set forth in this Agreement, or have knowingly chosen not to consult legal counsel as to the matters set forth in this Agreement; and, they have freely signed this Agreement without any reliance upon any agreement, promise, statement or representation by or on behalf of the other Party, or their respective agents, employees, or attorneys, except as specifically set forth in this Agreement, and without duress or coercion, whether economic or otherwise.

Section 6.16 Cooperation. Each Party agrees to cooperate with the other in this transaction and, in that regard, to sign any and all documents which may be reasonably necessary, helpful, or appropriate to carry out the purposes and intent of this Agreement including, but not limited to, releases or additional agreements.

Section 6.17 Conflicts of Interest. No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to the Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is directly or indirectly interested.

Section 6.18 Non-Liability of Officials and Employees of City. No member, official or employee of the City shall be personally liable to the Developer or Landowner, or any successor in interest, in the event of any Default or breach by the City or for any amount which may become due to the Developer or Landowner or their successors, or on any obligations under the terms of this Agreement. The Developer and Landowner hereby waives and releases any claim it may have against the members, officials or employees of the City with respect to any Default or breach by the City or for any amount which may become due to the Developer or Landowner or their successors, or on any obligations under the terms of this Agreement. The

Developer and Landowner make such release with full knowledge of Civil Code Section 1542 and hereby waive any and all rights thereunder to the extent of this release, if such Section 1542 is applicable. Section 1542 of the Civil Code provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

Section 6.19 Effectiveness of Agreement. This Agreement shall be effective when authorized and executed by Developer, Landowner, and City.

Section 6.20 Counterparts. This Agreement may be executed in counterparts.

[SIGNATURES ON THE FOLLOWING PAGE]

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respective date set forth above.	
	"CITY"
	CITY OF PERRIS, a municipal corporation
	By:
A DIDECTO	City Manager
ATTEST:	
D	
By: Nancy Salazar, City Clerk	
	"DEVELOPER":
	D.R. HORTON LOS ANGELES HOLDING COMPANY, INC., a California corporation
	By: Barbara M. Murakami, Vice President
	"LANDOWNER":
	Enribo Willer.

Barbara M. Murakami, Vice President

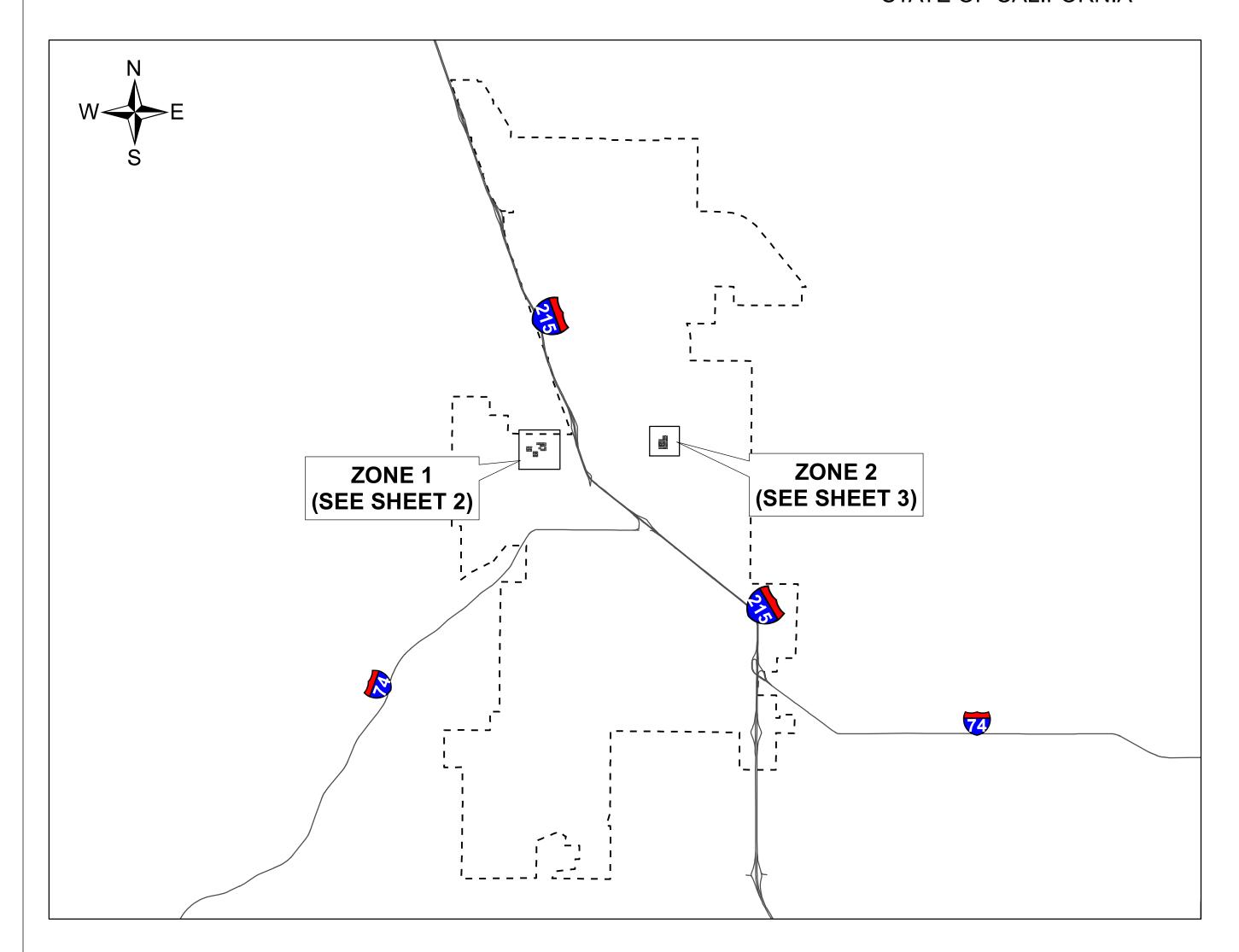
EXHIBIT A

PROPERTY DESCRIPTION

[See Attached Map showing Boundaries and Assessor Parcel Numbers]

MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2021-1 (AVION POINTE/ACACIA)

CITY OF PERRIS
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA



DAY OF FILED IN THE OFFICE OF THE CITY CLERK THIS _ I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2021-1 (AVION POINTE/ACACIA), 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 $_$, 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 COUNTY RECORDER **COUNTY OF RIVERSIDE**

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE RIVERSIDE COUNTY ASSESSOR'S

THE RIVERSIDE COUNTY ASSESSOR'S MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

STATE OF CALIFORNIA

MAPS FOR THOSE PARCELS LISTED.

Legend

City of Perris Boundary

— Highways



MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2021-1 (AVION POINTE/ACACIA)

CITY OF PERRIS
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

ZONE 1



MAP REFERENCE	ASSESSOR'S
NUMBER	PARCEL NUMBER
1	311-340-012
2	311-340-013
3	311-340-014
4	311-340-015
5	311-340-016
6	311-340-017
7	311-340-018
8	311-340-019
9	311-340-020
10	311-340-021
11	311-340-022
12	311-340-023
13	311-340-024
14	311-340-025
15	311-340-026
16	311-470-001
17	311-470-002
18	311-470-003

MAP REFERENCE	ASSESSOR'S	MAP REFERENCE	ASSESSOR'S
NUMBER	PARCEL NUMBER	NUMBER	PARCEL NUMBER
19	311-470-004	37	311-471-012
20	311-470-005	38	311-472-001
21	311-470-006	39	311-472-002
22	311-470-007	40	311-472-003
23	311-470-008	41	311-472-004
24	311-470-023	42	311-472-005
25	311-470-024	43	311-472-010
26	311-471-001	44	311-472-011
27	311-471-002	45	311-472-012
28	311-471-003	46	311-472-013
29	311-471-004	47	311-472-014
30	311-471-005	48	311-472-015
31	311-471-006	49	311-472-016
32	311-471-007	50	311-472-017
33	311-471-008	51	311-472-018
34	311-471-009	52	311-472-019
35	311-471-010	53	311-472-020
36	311-471-011	54	311-472-021

Legend

Zone 1 Boundary

Map Reference Number

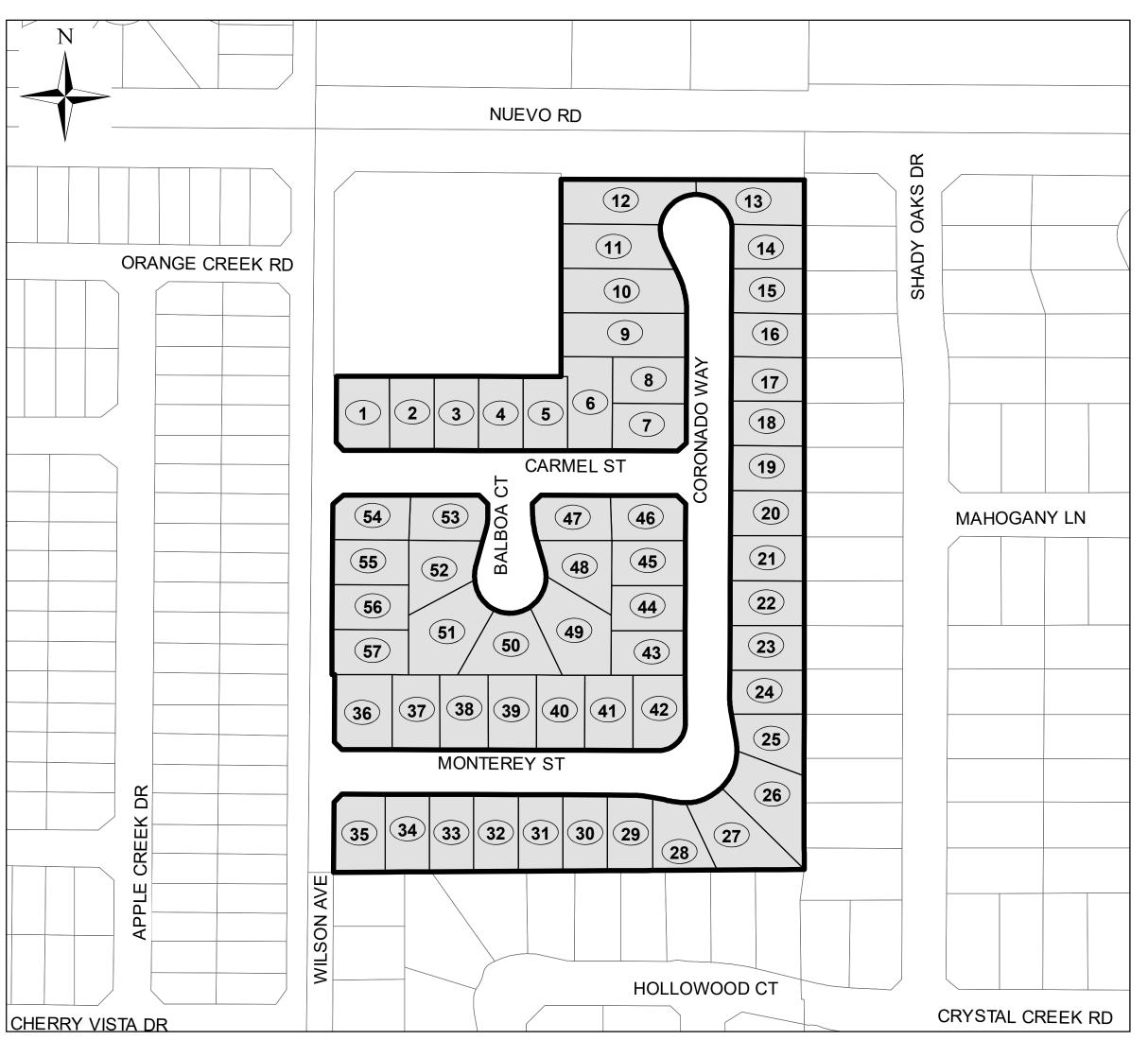


27368 VIA INDUSTRIA, SUITE #200 TEMECULA, CA 92590 (951) 587-3500

MAP OF PROPOSED BOUNDARIES OF **COMMUNITY FACILITIES DISTRICT NO. 2021-1** (AVION POINTE/ACACIA)

CITY OF PERRIS COUNTY OF RIVERSIDE STATE OF CALIFORNIA

ZONE 2



MAP REFERENCE	ASSESSOR'S
NUMBER	PARCEL NUMBER
1	311-161-001
2	311-161-002
3	311-161-003
4	311-161-004
5	311-161-005
6	311-161-006
7	311-161-007
8	311-161-008
9	311-161-009
10	311-161-010
11	311-161-011
12	311-161-012
13	311-161-013
14	311-161-014
15	311-161-015
16	311-161-016
17	311-161-017
18	311-161-018
19	311-161-019
20	311-161-020
21	311-161-021
22	311-161-022
23	311-161-023
24	311-161-024
25	311-161-025
26	311-161-026
27	311-161-027
28	311-161-028
29	311-161-029
	3 3 . 3 2 3

MAP REFERENCE	ASSESSOR'S
NUMBER	PARCEL NUMBER
30	311-161-030
31	311-161-031
32	311-161-032
33	311-161-033
34	311-161-034
35	311-161-035
36	311-162-001
37	311-162-002
38	311-162-003
39	311-162-004
40	311-162-005
41	311-162-006
42	311-162-007
43	311-162-008
44	311-162-009
45	311-162-010
46	311-162-011
47	311-162-012
48	311-162-013
49	311-162-014
50	311-162-015
51	311-162-016
52	311-162-017
53	311-162-018
54	311-162-019
55	311-162-020
56	311-162-021
57	311-162-022

Legend

Zone 2 Boundary

Map Reference Number



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

EXHIBIT B

ELIGIBLE PUBLIC FEES LIST

PROPOSED COMMUNITY FACILITIES DISTRICT NO. 2021-1 (Avion Pointe/ Acacia) OF THE CITY OF PERRIS BOND FINANCED FEES SUMMARY

The following public fees are eligible for payment:

Description	Costs*
City of Perris	Per Unit
Police	\$ 59
Fire	362
Community Amenities	1,120
Government Facilities	576
Parks	7,884
Transportation Facilities	4,025
Community Facilities Fee	1,000
Sub-Total:	\$ 15,026
Eastern Municipal Water District Fees	Per Unit
2020 Fees	
Water Financial Participation	\$ 5,501
Sewer Financial Participation	2,914
Sewer Treatment Plant Capacity	5,938
Water Supply Development Fee	300
Water Meter Fee	377
2021 Fees	
Water Financial Participation	\$ 5,584
Sewer Financial Participation	2,958
Sewer Treatment Plant Capacity	6,027
Water Supply Development Fee	300
Water Meter Fee	377
Sub-Total:	\$ 15,242

^{*}Amounts may change due to increases in fees. Developer is responsible for payment of increased amounts from its own funds to the extent insufficient funds exist under this Agreement or the Bond documentation. Such fees may not be eligible for payment to the extent of changes in the Act or the City is advised by its Counsel or Bond Counsel that it may not finance the fees pursuant to the Act. Any EMWD fees must comply with the EMWD JCFA.

^{*}Funding of fees/facilities is subject to discussion with bond counsel at issuance to determine eligibility for tax-exempt versus taxable financing.

EXHIBIT C

PAYMENT REQUEST NO. _____

The undersigned D.R. HORTON LOS California corporation, as developer and la requests payment in the total amount of \$ Perris for the Public Fees (as defined in the Foundary ("Funding Agreement"), by and between the Codescribed in Exhibit B to that Agreement), all as connection with this Payment Request, the und City and the District as follows:	(the "Requested Amount") to the City of unding Agreement, dated as of, 2021 ity of Perris (the "City") and Landowner, and more fully described in Attachment 1 hereto. In
qualified to execute this Payment Request for knowledgeable as to the matters set forth herein. 2. The Landowner is the owner of the proproperty is located in the District. 3. The Requested Amount represents the described on the Attachment hereto which are not in any respect. The Requested Amount not be submitted to the City. 4. Supporting documentation is attached Deposit for which payment is requested. 5. The Landowner is in compliance with Agreement and no portion of the Requested Amount 6. [Appropriate description if items have been description in the second content of the requested Amount for the Requeste	perty subject to this Payment Request and the payment of [Public Fees/Deposits/Advances] ow due and payable, and have not been inflated been the subject of any prior payment request with respect to each Public Fee/Advance or the terms and provisions of the Funding bunt for such items was previously paid. The en assigned in connection with the Public Fees. Deposit to the Landowner as previously or Advance].
LANDOWNER:	CITY:
D.R. HORTON LOS ANGELES HOLDING COMPANY, INC.	Payment Request Approved for Submission to Fiscal Agent
By:Authorized Representative of Developer	By: Finance Director or City Manager
Date:	Date:

ATTACHMENT 1

SUMMARY OF PUBLIC FEES

TO BE PAID AS PART OF PAYMENT REQUEST NO. _____

Charging Entity	Title of Fee	Actual Cost	Disbursement Requested

[List here all Fees for which payment is requested, and attach support documentation]

EXHIBIT D

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

Pursuant to a Funding Agreement dated as of _____, 2021 (the "Agreement") by and between the City of Perris ("City") and D.R. Horton Los Angeles Holding Company, Inc., a California corporation, as developer and landowner, which Agreement is hereby incorporated herein by this reference, and for good and valuable consideration, receipt of which is hereby acknowledged, the undersigned agree as follows:

- 1. The assignment and assumption provided for under this Assignment and Assumption Agreement ("Assignment") is made together with the sale, transfer or assignment of all or a part of the property subject to the Agreement. The property sold, transferred or assigned together with this Assignment is included within the District and described in "Attachment 1" attached hereto and incorporated herein by this reference (the "Subject Property").
- 2. _______, as the assignor hereof (the "Assignor") hereby grants, sells, transfers, conveys assigns and delegates to _______ ("Assignee"), all of Assignor's rights, title, interest, benefits, privileges, duties and obligations arising under or from the Agreement with respect to the Subject Property and the Public Fees for the Public Facilities authorized to be funded by the District with respect to the District except for the following:
- 3. Assignee hereby accepts the foregoing assignment and unconditionally assumes and agrees to perform all of the duties and obligations of Assignor arising under or from the Agreement as owner of the Subject Property.
- 4. The sale, transfer or assignment of the Subject Property and the assignment and assumption provided for under this Assignment are the subject of additional agreements between Assignor and Assignee. Notwithstanding any term, condition or provision of such additional agreements, the rights of the City arising under or from the Agreement and this Assignment shall not be affected, diminished or defeated in any way, except upon the express written agreement of the City.
- 5. Assignor and Assignee execute this Assignment pursuant to Section 6.04 of the Agreement, and the City evidences its consent to this Assignment by signing below.

IN WITNESS WHEREOF, the parties have	executed this Assignment on
	ASSIGNOR:
	D.R. HORTON LOS ANGELES HOLDING COMPANY, INC., a California corporation, as Landowner and Developer
	By:
	Name:
	Title:
	ASSIGNEE:
	By:
	Name: Title:
	CITY:
	CITY OF PERRIS
	By:
	Its: City Manager